



Value of production of agricultural products and foodstuffs, wines, aromatised wines and spirits protected by a geographical indication (GI)

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Authors: Tanguy CHEVER, Christian RENAULT, Séverine RENAULT, Violaine ROMIEU (AND-International).

With the participation of:

AND-International (France): Dominique AVIAT, Jean-Marie BOUQUERY, Claire COGOLUENHES, Cécile DIAMANTIS, Fanny LARDIER.

Agrár Európa Kft (Hungary): Monika SZENTPETERY, Péter TOTH.

Lithuanian Institute of Agrarian Economics (Lithuania): Ovidija EICAITE, Albertas GAPSYS.

SPEED S.A. (Greece): Eleni FOUNTI, Leonidas NIKOLAOU.

University of Ljubljani, Biotechnical Faculty (Slovenia): Andrej UDOVC.

Valeriu COTEA (Romania).

Bozhidar IVANOV (Bulgaria).

Coordination: Tanguy CHEVER.

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Abbreviation list

CIRCA: Communication and Information Ressource Centre Administrator
CNIEL: Centre National Interprofessionnel de l'Economie Laitière (France)
DGDDI: Direction Générale des Douanes et Droits Indirects (France)
EU: European Union
EU 27: All 27 Member States of the European Union
GI: Geographical Indication
HL: hectolitre
HLLPA: hectolitre of pure alcohol
INAO: Institut National de l'Origine et de la Qualité (France)
ISMEA: Istituto di Servizi per il Mercato Agricolo Alimentare (Italy)
K€: thousand of euros
LPA: litre of pure alcohol
MAAMA: Ministerio de Agricultura, Alimentacion y Medio Ambiente (Spain)
M€: million of euros
MHL: million of hectolitres
MHLPA: million of hectolitres of pure alcohol
MS: Member State
PDO: Protected Designation of Origin
PGI: Protected Geographical Indication
PRODCOM: European statistics on the production of manufactured goods
QWPSR: Quality Wine Produced in Specified Region

Table of content

| | |
|---|-----------|
| INTRODUCTION..... | 4 |
| CHAPTER 1 - GENERAL APPROACH OF THE STUDY | 6 |
| 1. OBJECTIVES AND SCOPE OF THE STUDY | 7 |
| 1.1. OBJECTIVES | 7 |
| 1.2. SCOPE | 7 |
| 1.3. STAGE OF THE SUPPLY CHAIN RETAINED | 10 |
| 2. DATA COLLECTION METHOD | 11 |
| CHAPTER 2 – SALES VALUE OF GI PRODUCTS IN THE EU 27 | 15 |
| 1. GENERAL RESULTS | 16 |
| 1.1. SALES VALUE OF PRODUCTS UNDER GI | 16 |
| 1.2. SALES VALUE IN THE MAIN MS AND SECTORS | 17 |
| 1.3. EXPORTS | 19 |
| 1.4. IMPORTANCE OF GIS IN THE EU FOOD AND DRINK SECTOR | 22 |
| 1.5. SIZE OF INDIVIDUAL GIS | 25 |
| 2. SALES VALUE BY MEMBER STATE | 27 |
| 2.1. MS WITH SIGNIFICANT GI SALES: FRANCE AND ITALY | 27 |
| 2.2. MS WITH SIGNIFICANT GI SALES BUT A LIMITED NUMBER OF DESIGNATIONS: THE UNITED KINGDOM, GERMANY, IRELAND, POLAND, THE CZECH REPUBLIC..... | 30 |
| 2.3. MS WITH MODERATE GI SALES VALUE COMPARED TO NUMBER OF GIS: SPAIN, GREECE, PORTUGAL | 33 |
| 2.4. OTHERS MS WITH A SIGNIFICANT SHARE OF GI SALES IN THE WINE SECTOR: AUSTRIA, HUNGARY, ROMANIA, SLOVAKIA, SLOVENIA, BULGARIA, CYPRUS, MALTA..... | 35 |
| 2.5. OTHER MS WITH LIMITED DEVELOPMENT OF GIS UNTIL NOW: DENMARK, THE NETHERLANDS, SWEDEN, BELGIUM, LUXEMBOURG, LITHUANIA, ESTONIA, FINLAND, LATVIA | 37 |
| 3. WINES | 38 |
| 3.1. PDO/PGI IN THE EU27 WINE SECTOR | 38 |
| 3.2. SALES VALUE OF PDO/PGI WINE | 45 |
| 3.3. EXPORTS | 48 |
| 4. AGRICULTURAL PRODUCTS AND FOODSTUFFS..... | 51 |
| 4.1. SALES VALUE BY PRODUCT CATEGORY | 51 |
| 4.2. VOLUME AND VALUE BY PRODUCT CATEGORY | 52 |
| 4.3. SALES VALUE BY MEMBER STATE | 60 |
| 4.4. EXPORTS | 62 |
| 5. SPIRITS | 65 |
| 5.1. TOTAL SALES..... | 65 |
| 5.2. EXPORTS | 67 |

| | |
|---|-----------|
| 6. AROMATISED WINES | 68 |
| CHAPTER 3 - VALUE PREMIUM FOR GI PRODUCTS..... | 69 |
| 1. METHODOLOGY: COMPARISON WITH SIMILAR PRODUCT WITHOUT GI | 70 |
| 2. VALUE PREMIUM RATE IN THE EU 27 | 71 |
| 2.1. VALUE PREMIUM BY SCHEME | 71 |
| 2.2. VALUE PREMIUM RATES BY CLASS OF AGRICULTURAL PRODUCTS AND FOODSTUFFS | 72 |
| 2.3. VALUE PREMIUM BY MEMBER STATE IN THE WINES SCHEME | 78 |
| 2.4. VALUE PREMIUM BY MEMBER STATE IN THE SPIRITS SCHEME | 80 |
| 2.5. VALUE PREMIUM RATE BY NATIONAL SECTOR..... | 81 |
| 2.6. VALUE PREMIUM RATES BY MEMBER STATE | 84 |

Introduction

The study aimed to collect, for the first time, economic data on each of the 2 768 GIs registered in the EU 27, over the 2005-2010 period. It covered four schemes: aromatised wines (Reg. (EEC) No 1601/91), agricultural products and foodstuffs (Reg. (EEC) No 510/2006), wines (Reg. (EC) No 1234/2007) and spirits (Reg. (EC) No 110/2008)¹. The data for each GI had been entered into a database in order to build aggregates at sectoral and geographical levels.

The data presented in this report are based on European and national statistics, a direct survey among producers' groups and producers and interviews of experts. Furthermore, when no data were available, estimates have been made from all available information.

The worldwide sales value of GI products registered in the EU 27 was estimated at €54.3 billion in 2010 at wholesale stage in the region of production; it increased by 12% between 2005 and 2010. GIs represented 5.7% of the total food and drink sector in the EU27 (€956.2 billion, source: FoodDrinkEurope). Wines accounted for 56% of total sales (€30.4 billion), agricultural products and foodstuffs for 29 % (€15.8 billion), spirit drinks for 15 % (€8.1 billion) and aromatised wines for 0.1 % (€31.3 million). Domestic sales remained the main markets for GI products (60%), intra-EU trade accounted for 20% and extra-EU accounted for 19%. Over the period, extra-EU trade increased by 29%.

The leading Member State (MS) was France (€20.9 billion including 75% for wines, 15% for agricultural products and foodstuffs and 10% for spirits), the second MS was Italy with a balance between the GIs registered in the different schemes (€11.8 billion including 51% for agricultural products and foodstuffs, 48% for wines and 1% for spirits).

The two next MS were Germany (€5.7 billion including 59% for agricultural products and foodstuffs, 40% for wines and 1% for spirits) and the United Kingdom (€5.5 billion including 81% for spirits and 19% for agricultural products and foodstuffs). These two MS accounted for 6% of the EU number of GI and for 21% of the EU sales value. This reflected the fact that the average sales value of GIs in Germany and in the United Kingdom was larger than the EU average.

The following MS in terms of sales value were Spain, Portugal, Greece, Austria, Ireland, Hungary and Poland. The total sales value in each of the other remaining 16 Member States was lower than €300 000 in 2010.

Furthermore, the study includes an analysis on the value premium rate² of products bearing a GI compared to non-GI products. This analysis reflected the marketing positioning of GI products compared to non-GI products. The value premium rate of GI products was estimated at 2.23, which means that GI products were sold 2.23 times as high as the same quantity of non-GI products.

¹ Data on agricultural products and foodstuffs were collected on the period 2005-2008 in a previous DG AGRI study 'Value of agricultural production under protected designations of origin (PDO) and protected geographical indications (PGI)' in 2009.

² Value premium rate = $\sum (\text{GI volume} \times \text{GI price}) / \sum (\text{GI volume} \times \text{non GI price})$

Value premium rate does not reflect value added and profitability of the GI supply chains because it does not take into account the economic impacts of compliance with GI specifications: additional costs and foregone earnings.

Furthermore, the study aimed to edit data sheets with aggregated data on GIs by scheme and MS, intended to be made available for public by the DG AGRI.

The different chapters of this report present:

- The general approach of the survey;
- The sales value of GIs at EU level, by MS and by scheme;
- The analyses of the value premium.

Chapter 1 - General approach of the study

1. Objectives and scope of the study

1.1. Objectives

This study was an update and expansion of a previous study: 'Value of agricultural production under protected designations of origin (PDO) and protected geographical indications (PGI)' (Tender N° AGRI-2008-EVAL-02) performed in 2009 for the DG AGRI of the European Commission. The output of that study was a database that provided data on the volume, value and trade of production for each of the GIs registered under Reg. (EC) No 510/2006 (period covered 2005-2008).

The present study aimed to:

- Update the database for the period 2009-2010;
- Expand and complete the database with data on the volume, value and trade of production for each wine, aromatised wine and spirits name registered under GI for the period 2005-2010;
- Analyse the value premium received by products bearing a registered name;
- Assess the evolution of value, volume and trade of geographical indications during the period 2005-2010;
- Compare the situation with standard products and between different GI products and sectors at EU and Member State levels.

1.2. Scope

1.1.1. Number of GIs by scheme and MS

The data collection covered 2 768 GIs in the 27 Member States of the European Union in 2010. It referred to 4 regulations:

- Reg. (EEC) No 1601/91: aromatised wines (4 GIs, 0.1% of the European GIs);
- Reg. (EC) No 510/2006: agricultural products and foodstuffs (867 GIs, 31.3% of the European GIs)³;
- Reg. (EC) No 1234/2007: wines (1 560 GIs, 56.4% of the European GIs);
- Reg. (EC) No 110/2008: spirits (337 GIs, 12.2% of the European GIs).

³ One GI may cover more than one product: Canard à foie gras du Sud-Ouest (fresh meat and meat products; France), Cítricos Valencianos (orange, citrus and clementine; Spain), Pomme et Poire de Savoie (France), White Stilton cheese; Blue Stilton cheese (the United Kingdom). The data sheets with aggregates took into account the number of GI products (872) and not the number of GIs (867).

New registrations occurred each year (between 9 and 90 GIs registered each year in the agricultural and foodstuffs scheme over the period). In this study, GIs were taken into account the year following to their registration.

Furthermore, Bulgaria and Romania were not taken into account in the economic aggregates before they joined the EU in 2007.

Table 1 - Number of GIs by MS and by scheme (2010)

| | Wine | Agri. prod. and foodstuffs | Spirits | Aromatised wine | Total | % | Cum. % |
|----------------|--------------|----------------------------|--------------|-----------------|--------------|-------|--------|
| IT | 521 | 193 | 39 | 1 | 754 | 27.2% | 27% |
| FR | 432 | 168 | 75 | 1 | 676 | 24.4% | 52% |
| ES | 131 | 126 | 28 | 0 | 285 | 10.3% | 62% |
| GR | 147 | 86 | 19 | 0 | 252 | 9.1% | 71% |
| PT | 40 | 111 | 19 | 0 | 170 | 6.1% | 77% |
| DE | 39 | 68 | 35 | 2 | 144 | 5.2% | 82% |
| RO | 50 | 0 | 19 | 0 | 69 | 2.5% | 85% |
| BG | 54 | 0 | 13 | 0 | 67 | 2.4% | 87% |
| AT | 29 | 13 | 13 | 0 | 55 | 2.0% | 89% |
| HU | 35 | 4 | 6 | 0 | 45 | 1.6% | 91% |
| UK | 4 | 32 | 3 | 0 | 39 | 1.4% | 92% |
| CZ | 13 | 22 | 1 | 0 | 36 | 1.3% | 94% |
| BE | 9 | 7 | 10 | 0 | 26 | 0.9% | 95% |
| SI | 17 | 1 | 7 | 0 | 25 | 0.9% | 95% |
| NL | 12 | 6 | 5 | 0 | 23 | 0.8% | 96% |
| SK | 8 | 4 | 10 | 0 | 22 | 0.8% | 97% |
| CY | 11 | 1 | 2 | 0 | 14 | 0.5% | 98% |
| LU | 1 | 4 | 9 | 0 | 14 | 0.5% | 98% |
| PL | 0 | 9 | 3 | 0 | 12 | 0.4% | 99% |
| DK | 4 | 3 | 1 | 0 | 8 | 0.3% | 99% |
| LT | 0 | 0 | 8 | 0 | 8 | 0.3% | 99% |
| IE | 0 | 4 | 3 | 0 | 7 | 0.3% | 99% |
| FI | 0 | 3 | 2 | 0 | 5 | 0.2% | 100% |
| SE | 0 | 2 | 3 | 0 | 5 | 0.2% | 100% |
| MT | 3 | 0 | 0 | 0 | 3 | 0.1% | 100% |
| LV | 0 | 0 | 3 | 0 | 3 | 0.1% | 100% |
| EE | 0 | 0 | 1 | 0 | 1 | 0.0% | 100% |
| Total | 1 560 | 867 | 337 | 4 | 2 768 | 100% | / |
| % total | 56,4% | 31,3% | 12,2% | 0,1% | / | / | / |

1.1.2. Specific situations for the different schemes

- **Wines**

In the wine sector, PDOs and PGIs were introduced in 2009 with the 2008 Common Market Organisation reform (Reg. (CE) No 479/2008). The quality wines produced in specified regions (QWPSR) have been registered as PDOs and table wines with GI have been registered as PGIs.

There was monitoring of the QWPSR volumes before 2009 at European level. However, this was not detailed for each QWPSR. Some MS had implemented detailed monitoring for each QWPSR.

The monitoring of table wine with GI was aggregated with table wine without GI at European level. Detailed data for each table wine with GI was limited at national level.

The wine statistics is generally based on campaigns from August to July. However, the analyses were based on calendar years in this study. Thus, when civil year data was not available, we considered that 2004/2005 sales correspond to 2005 sales and so on for the other periods.

- **Agricultural products and foodstuffs**

A previous study had been performed by AND-International for the DG AGRI in 2009 on the PGI/PDOs in the agricultural products and foodstuffs scheme. Thus, the economical knowledge of these supply chains was wider than that for wines, spirits and aromatised wines.

Furthermore, this scheme was characterized by a great dynamism in terms of registration, 240 newly registered GIs were taken into account in the 2010 aggregates compared to the 2005 aggregates.

- **Spirits**

GI names in the spirit sector are listed in the Annex III of Regulation (EC) No 110/2008 on the proposal of Member States. These GIs will be maintained in this Annex if a technical file is submitted to the European Commission not later than 20 February 2015. This technical file will notably contain:

- A description of the spirit drink;
- The definition of the geographical area concerned;
- A description of the method for obtaining the spirit drink;
- The details bearing out the link with the geographical environment or the geographical origin;
- The name and contact address of the applicant.

- **Aromatised wines**

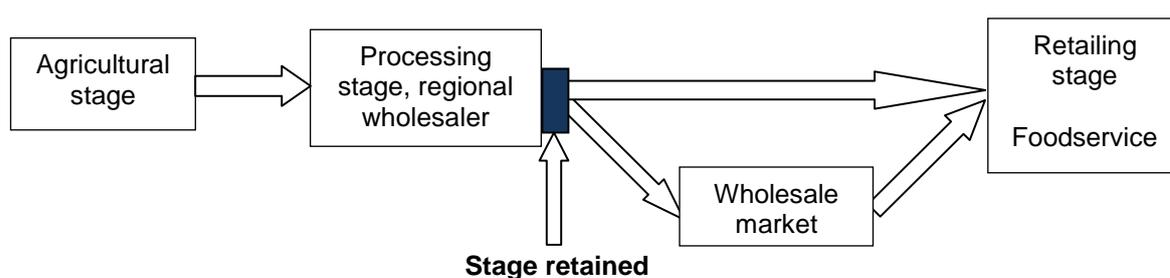
There are four names registered as GI in the aromatised wines sector: Nürnberger Glühwein (Germany), Thüringer Glühwein (Germany), Vermouth de Chambéry (France) and Vermouth di Torino (Italy). Specifications and list of producers are not centralised at national or EU levels.

1.3. Stage of the supply chain retained

The study took into account the sales at wholesale stage at regional level, transport and taxes excluded, for instance:

- For cheese: ex-dairy stage;
- For meat: ex-slaughterhouse or ex-cutting plant stage;
- For fruits and vegetables: ex-co-operative stage or ex-regional wholesaler stage;
- For processed products: ex-factory stage;
- For wines or spirits: ex-winery/distillery stage or regional wholesaler.

Figure 1 - Stage of the supply chain retained



In the wines and spirits schemes, the value was estimated on the basis of:

- A bottle price for the national market (estimated ex-area of production stage) - in most cases this referred to regional wholesalers handling the bottling of the wine;
- A price taking into account bulk and bottle sales on EU 27 markets and extra EU 27 markets, depending on trade statistics (COMEXT).

2. Data collection method

A large amount of information already existed on GI, so the first step of the data collection phase was to gather this information owned by public and professional organisations.

However, except in a few cases, this centralised data was not sufficient to fill in the database with all information requested. That is why we implemented a complementary data collection among producers or producers' groups if they could be identified, as well as experts.

In order to be meaningful, the economic aggregates from the database must be based on exhaustive information for each GI. That is why estimates had been performed by the study team when no data were available. These estimates had been realised with the available information (sectoral statistics, experts, etc.).

Thus, the data presented in this report were based on:

1. Centralised data (at the European or national level);
2. Centralised data and complementary data collection;
3. Direct survey among producers and producers' groups identified;
4. Indirect survey when no producers and producers' group could be identified.

Furthermore, non-available data have been estimated.

Table 2 - Number of GIs covered by each of the data collection method

| | Number of GI | % total |
|---|---------------------|----------------|
| Centralised data | 751 | 27% |
| Centralised data and complementary data collection | 1 102 | 40% |
| Direct survey | 752 | 27% |
| Indirect survey | 163 | 6% |
| Total | 2 768 | 100% |

2.1.1. Collection of centralised data (27% of GIs)

All information requested for the study was available in some MS for some schemes:

- Italy: data on GIs in agricultural products and foodstuffs scheme available from ISMEA.
- France: data on GIs in agricultural products and foodstuffs scheme available from INAO with the cooperation of CNIEL, SYNALAF and FIL Rouge.
- Spain: data on GIs in wines, agricultural products and foodstuffs and some spirits schemes available from Ministerio de Agricultura, Alimentación y Medio Ambiente.
- Portugal: data on GIs in agricultural products and foodstuffs scheme available from Ministério da Agricultura, do mar, do Ambiente e do Ordenamento do Território.
- Luxembourg: data on GIs in agricultural products and foodstuffs scheme available from Administration des Services Techniques de l'Agriculture.
- Cyprus: data on GIs in spirits scheme available from the Statistical Service of Cyprus.

2.1.2. Collection of centralised data with additional data collection (40% of GIs)

In other cases, only a part of the information was available and a complementary data collection had been realized through interviews with experts or estimates were realised.

- Italy: data on GIs in wines scheme partially available from ISMEA.
- France: data on GIs in wines scheme partially available from Regional Vine and Wine Interbranch Organisations, FranceAgriMer, DGDDI and INAO.
- Portugal: data on GIs in wines scheme partially available from Instituto da Vinha e do Vinho and Regional Commissions of Wine.
- Austria: data on GIs in wine scheme partially available from Lebensministerium and in spirits scheme available from Fachverband der Lebensmittelindustrie.
- Bulgaria: data on GIs in wines scheme partially available from Executive Agency of Vine and Wine and Regional Vine and Wine Chambers, data on GIs in spirits scheme available from Ministry of Economy and Ministry of Agriculture.
- Luxembourg; data on GIs in wines scheme partially available from Institut Viti-Vinicole Luxembourgeois, data on GIs in spirits scheme available from Commission de la Marque Nationale des Eaux-de-vie.
- Belgique: data on GIs in wines and spirits schemes partially available from Fédération belge des Vins et Spiritueux.
- Cyprus: data on GIs in wines scheme partially available from the Wine Products Council of Cyprus.

Furthermore, European statistics on trade (COMEXT) have been largely used, notably in the wine sector with the identification of PDOs and more recently PGIs.

2.1.3. Direct survey (27% of GIs)

A direct survey was conducted when no data were available from public or professional national or regional organisations. The direct survey consisted of a postal survey and reminders by e-mails and phone calls. Each target had been called at least three times.

It focused on producers' groups/applicants of GI when identified, or producers. Around 2 000 postal questionnaires had been sent.

2.1.4. Indirect survey (6% of GIs)

When no data were available at centralized level and when no producers' or producers' groups had been identified, an indirect survey among a sample of potential producers of the GI or among professional organisation or experts had been performed.

2.1.5. Estimates of missing data

Estimates played an important role in the filling of the database. Here are outlined two different types of estimate:

- Partial estimate: in many cases, even if some data were made available by national or regional organisations or producers groups, some data were still missing. For instance, in some cases the share of sales inside and outside of the EU 27 was unknown and only the data on the total sales outside the country of origin was available. In this case, the level of sales in each of these markets had been estimated. In other cases, the sales volume was only known for one or a few years, so the other data were estimated on the base of the evolution of the sector, if available, and the price of similar products.
- Total estimate: in some cases, the data collection strategy implemented did not allow for the gathering of accurate information. Then all the data were estimated with available information.

Centralised individual data were available for 67% of the GIs (with or without additional data collection). Direct and indirect surveys covered 33% of GIs and we obtained data on 37% of these GIs thanks to the survey (at least one questionnaire from one stakeholder involved in the GI). Thus, individual data had been collected on 79.2% of the GIs and were missing for 20.8% of the GIs. In this last case, individual data had been estimated thanks to aggregated data and other available information.

The wine scheme represented 43% of the GIs for which individual data were not available, thus, aggregated data had been used to perform the estimates (DG AGRI statistics by MS). Greek wines accounted for 58% of these. However, even if a large number of GIs are registered in the wine scheme in Greece (9% of EU GI in this scheme), it was estimated that Greek wines had a limited share in the EU sales value of wine under GI (0.7% in 2010).

GIs in agricultural products and foodstuffs scheme accounted for 31% of the GIs for which no individual data were available; Germany and Greece represented 57% of them.

Spirits drinks accounted for 27% of the GIs for which no individual data were available (50% of these GIs were registered in France and Germany); it represented 42% of the GIs in the spirit scheme. However, this had a limited impact on the total sales value under GI as it was estimated that a large share of the sales were concentrated among a limited number of GIs for which data were available.

Estimates were based on several sources:

- European statistics:
 - Eurostat: production data sets;
 - International trade data (COMEXT);
 - DG AGRI data on wine sector;
 - PRODCOM: data sets on products commercialization;
- Data from the previous survey for the agricultural products and foodstuffs sector;
- Information for similar products from the survey;
- Price data at the retail stage;
- Price data at the agricultural stage;
- Bulk prices for wine;
- Qualitative information from experts.

Estimates had always been indicated in the database.

Chapter 2 – Sales value of GI products in the EU 27

1. General results

1.1. Sales value of products under GI

The estimate of sales value of GI products in 2010 was €54.3 billion. More than the half (56%) of this value was accounted for by wines, about a third (29%) by agricultural products and foodstuffs, with spirits representing 15% and aromatised wines 0.1%.

Table 3 - Sales value by scheme in the EU 27 between 2005 and 2010 (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| Wines | 27 963 | 28 900 | 30 884 | 31 363 | 29 025 | 30 376 | 55.9% |
| Agri. prod. and foodstuffs | 13 284 | 13 457 | 13 891 | 14 238 | 14 525 | 15 790 | 29.1% |
| Spirits | 7 168 | 7 555 | 8 101 | 7 793 | 7 126 | 8 149 | 15.0% |
| Aromatised wines | 31 | 31 | 31 | 31 | 31 | 31 | 0.1% |
| Total | 48 446 | 49 943 | 52 907 | 53 425 | 50 707 | 54 346 | 100% |

Source: AND-International survey for DG AGRI

The sales value increased by 12% from 2005 to 2010. The agricultural and food sector had the greatest increase (+19%) on the period; this was partly due to registration of new PDO/PGIs (240 new GIs). In the wine scheme, the evolution of sales value was 9%, this was mainly due to an increase of prices (+8%) while sales volume remained more stable (+1%).

Taking into account inflation rates in the food and drink industry in each MS during the period (source: harmonised indices of consumer prices from Eurostat), the sales value of GIs increased by 1.6% between 2005 and 2010.

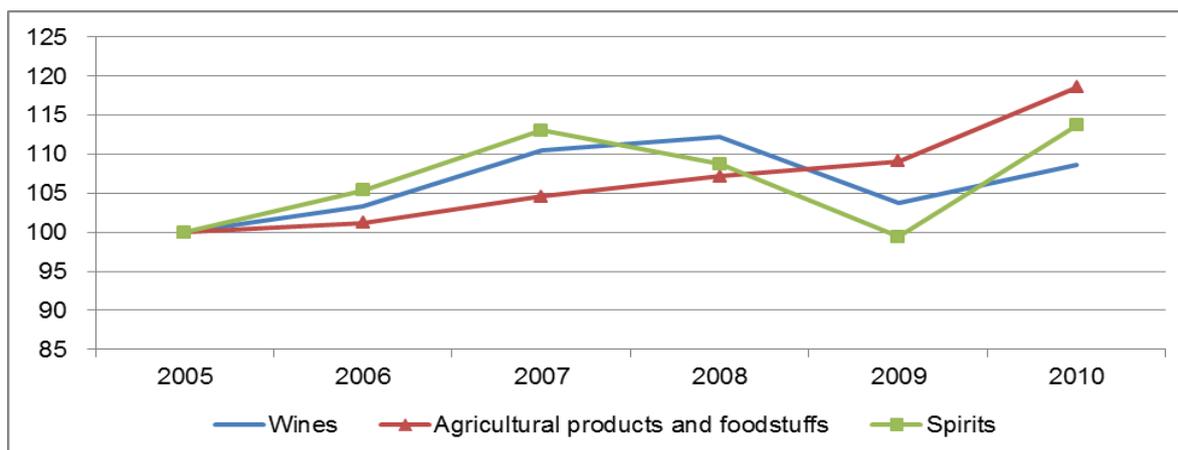
Table 4 - Evolution of the sales value by category in the EU27 between 2005 and 2010

| | Evol. 2005/06 | Evol. 2006/07 | Evol. 2007/08 | Evol. 2008/09 | Evol. 2009/10 | Evol. 2005/10 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Wines | 3% | 7% | 2% | -7% | 5% | 9% |
| Agri. prod. and foodstuffs | 1% | 3% | 2% | 2% | 9% | 19% |
| Spirits | 5% | 7% | -4% | -9% | 14% | 14% |
| Aromatised wines¹ | 0% | 0% | 0% | 0% | 0% | 0% |
| Total | 3% | 6% | 1% | -5% | 7% | 12% |

Source: AND-International survey for DG AGRI

1: There is no annual evolution of the sales for aromatised wines because data had been estimated.

Figure 2 – Index evolution of GI sales value by scheme between 2005 and 2010 (base: 100 = 2005)



Source: AND-International survey for DG AGRI

1.2. Sales value in the main MS and sectors

As indicated on table 6, France was the leading MS in term of sales value with €20.9 billion in sales, and wine representing 75% of the total French sales under GI. Italy was in second place with a balance between wine and agricultural products. Those two MS gathered 60% of the EU sales value; 80% with Germany and the United Kingdom.

The leading sector within the EU27 was French wines followed by Italian wines and Italian agricultural products and foodstuffs. In fourth place were UK spirits, followed by Spanish wines. All these sectors gathered 65% of the sales value within the EU 27 in 2010.

Table 5 - Sales value by MS/scheme in 2010 (k€)

| MS | Scheme | Sales value | % sales value | Cum. % |
|--------|----------------------|-------------|---------------|--------|
| FR | Wines | 15 714 079 | 29% | 29% |
| IT | Agri. prod and food. | 5 982 211 | 11% | 40% |
| IT | Wines | 5 689 524 | 10% | 50% |
| UK | Spirits | 4 433 539 | 8% | 59% |
| ES | Wines | 3 502 306 | 6% | 65% |
| DE | Agri. prod and food. | 3 374 893 | 6% | 71% |
| FR | Agri. prod and food. | 3 045 363 | 6% | 77% |
| DE | Wines | 2 277 366 | 4% | 81% |
| FR | Spirits | 2 094 387 | 4% | 85% |
| PT | Wines | 1 081 943 | 2% | 87% |
| UK | Agri. prod and food. | 1 059 339 | 2% | 89% |
| ES | Agri. prod and food. | 868 699 | 2% | 90% |
| Others | | 5 191 037 | 10% | 10% |
| EU 27 | | 54 346 032 | 100% | / |

Source: AND-International survey for DG AGRI

Table 6 - Value of GI sales for the MS by scheme in 2010 (M€)

| | Wines | Agri. prod. and food. | Spirits | Arom. wines | Total | % wine | % agri. prod. and food. | % spirits | % arom. wines | % total |
|----------------|---------------|-----------------------|--------------|-------------|---------------|------------|-------------------------|------------|---------------|-------------|
| FR | 15 714 | 3 045 | 2 094 | s | 20 854 | 75% | 15% | 10% | s | 100% |
| IT | 5 690 | 5 982 | 134 | s | 11 806 | 48% | 51% | 1% | s | 100% |
| DE | 2 277 | 3 375 | 76 | s | 5 728 | 40% | 59% | 1% | s | 100% |
| UK | 13 | 1 059 | 4 434 | 0 | 5 506 | 0% | 19% | 81% | 0% | 100% |
| ES | 3 502 | 869 | 207 | 0 | 4 578 | 77% | 19% | 5% | 0% | 100% |
| PT | 1 082 | 73 | 4 | 0 | 1 158 | 93% | 6% | 0% | 0% | 100% |
| GR | 203 | 753 | 102 | 0 | 1 058 | 19% | 71% | 10% | 0% | 100% |
| AT | 734 | 139 | 58 | 0 | 932 | 79% | 15% | 6% | 0% | 100% |
| IE | 0 | 29 | 578 | 0 | 607 | 0% | 5% | 95% | 0% | 100% |
| HU | 470 | 17 | 9 | 0 | 496 | 95% | 3% | 2% | 0% | 100% |
| Others (17 MS) | 691 | 448 | 453 | 0 | 1 592 | 43% | 28% | 28% | 0% | 100% |
| EU 27 | 30 376 | 15 790 | 8 149 | 31 | 54 346 | 56% | 29% | 15% | 0,1% | 100% |

Source: AND-International survey for DG AGRI

s: statistical confidentiality

Note: for confidentiality matters, aromatised wines scheme data are not detailed by MS. Total sales value in France, Italy and Germany don't include aromatised wines data.

1.3. Exports

Based on data collected from the survey and COMEXT, the exports on extra-EU markets from the MS of production were estimated at €10.6 billion, which represented 19% of GI sales value in 2010 (€54.3 billion). In addition to the export from the MS of production, re-exports occurred: some GI products marketed on the intra-EU market had been exported to the extra-EU market by stakeholders which were not located in the MS of production of the GI. This phenomenon was particularly important for GI wines. However, this was difficult to assess with accuracy as statistics from national and regional organisations, producers and producers' groups mainly focus on the sales from the MS of production. These re-exports can be estimated thanks to COMEXT data, taking into account the whole GI extra-EU exports from all the MS of the EU 27. Thus according to COMEXT, the EU export of GI wines in 2010 was €5.89 billion, while the exports from the MS of production were €4.96 billion (source: survey). Thus, the re-export would have accounted for €930 million in 2010 in the wines scheme.

Taking into account the re-exports of GI wines, the total exports of GIs were €11.5 billion in 2010.

It was estimated that it accounted for 15% of all extra-EU trade for food and beverages, 87% of wine trade, 64% of spirits trade and 2% of agricultural products and foodstuffs trade (see table below).

Table 7 - Share of exports on extra-EU markets of GIs in the total exports of the EU 27 in 2010 (M€)

| | Total exports (GI and non-GI) | GI exports | % GI/total |
|---|-------------------------------|---------------|------------|
| Wines¹ | 6 732 | 5 886 | 87% |
| Spirits | 7 167 | 4 614 | 64% |
| Agri. Prod. and foodstuffs | 61 713 | 1 007 | 2% |
| Total food and beverages¹ | 75 612 | 11 507 | 15% |

Source: AND-International survey for DG AGRI, COMEXT

1: re-exports are taken into account in the wines scheme.

The data sheets with economic aggregates on GIs intended to be published by the DG AGRI and the data provided in this report reflect the trade from the MS of production and don't take into account the re-export in the wine scheme.

The United States was by far the leading destination country, with €3.4 billion of imports of EU GI products (GIs accounted for 30% of total food and beverages imports from the EU). Switzerland, Singapore and Canada came next, with €839 million, €829 million and €729 million respectively.

Exported GI products came mainly from France, the United Kingdom and Italy. Products originating from these 3 MS represented 86% of total extra-EU exports of GI products with 40%, 25% and 21% respectively. In the three cases, exports were pulled up by a very small number of designations: Champagne and Cognac in France; Scotch Whisky in the UK; Grana Padano and Parmigiano Reggiano in Italy.

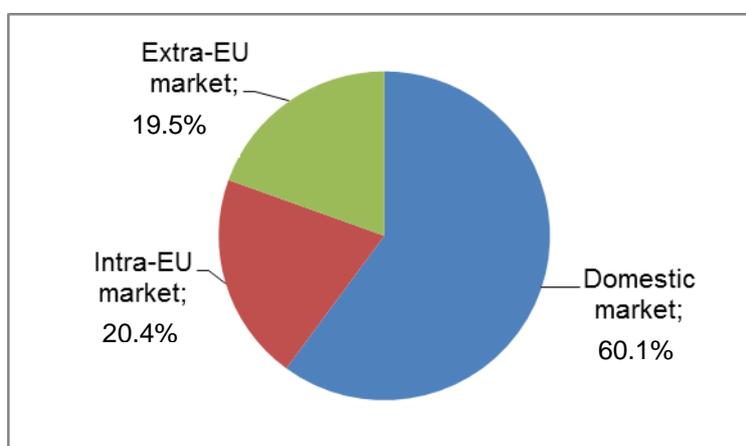
The overall structure of trade had been fairly stable between 2005 and 2010. The domestic market remained the most important one for GI products with 60.1% of the total sales value, while intra-EU trade reached 20.4% and extra-EU trade 19.5%.

Table 8 - Trade of GI products from the MS of production by scheme (2005 and 2010) in M€

| | 2005 | | | | 2010 | | | |
|------------------------------|---------------|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|
| | Total sales | Domestic market | Intra-EU market | Extra-EU market | Total sales | Domestic market | Intra-EU market | Extra-EU market |
| Wines | 27 963 | 17 608 | 6 393 | 3 961 | 30 376 | 19 071 | 6 350 | 4 956 |
| Agri. prod. and food. | 13 284 | 11 086 | 1 628 | 570 | 15 790 | 12 286 | 2 497 | 1 007 |
| Spirits | 7 168 | 1 431 | 2 043 | 3 694 | 8 149 | 1 282 | 2 252 | 4 614 |
| Aromatised wine | 31 | 23 | 4 | 4 | 31 | 23 | 4 | 4 |
| Total | 48 446 | 30 149 | 10 068 | 8 230 | 54 346 | 32 662 | 11 103 | 10 581 |

Source: AND-International survey for DG AGRI

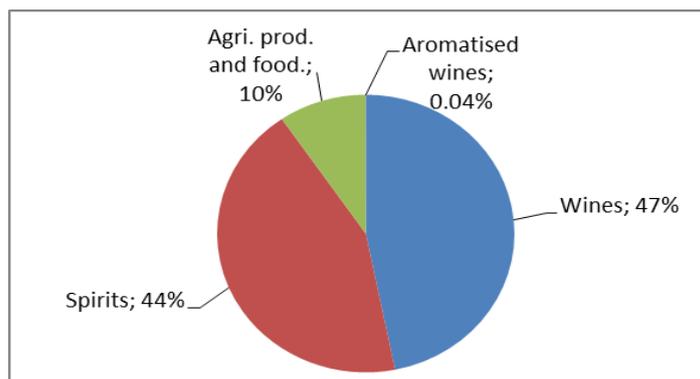
Figure 3: Sales value of GI products by destination in 2010



Source: AND-International survey for DG AGRI

The importance of trade varied depending on the scheme. While agricultural products and foodstuffs represented 29% of the total sales value for GI products, they only amounted to 10% of extra-EU trade. On the contrary, spirits accounted for 44% of extra-EU trade whereas they represented 15% of the total sales value. Wines remained the most important product both in terms of total sales value (56%) and extra-EU trade (47%).

Figure 4: Exports sales by scheme in 2010



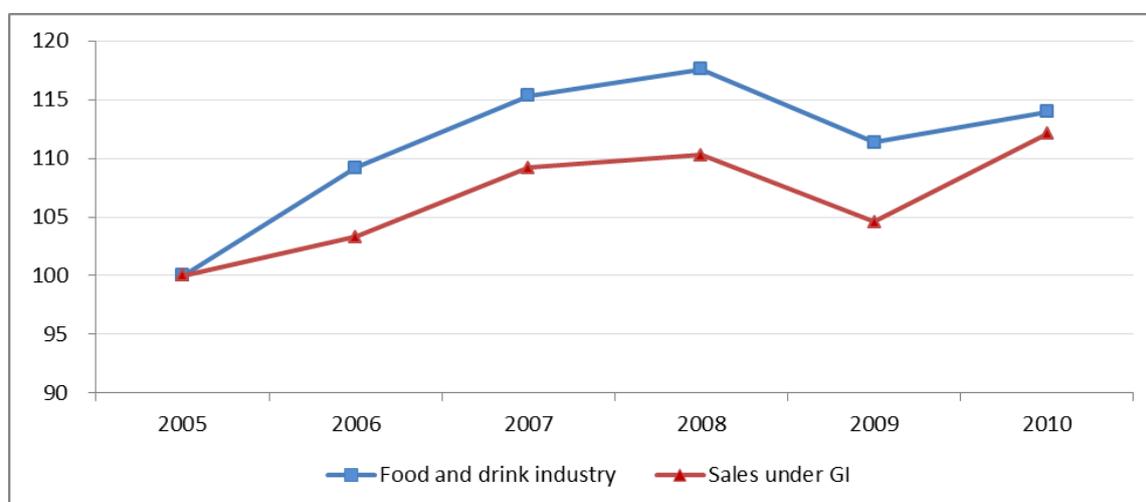
Source: AND-International survey for DG AGRI

1.4. Importance of GIs in the EU food and drink sector

The sales value of the European food and drink sector was estimated at €956 billion in 2010 by FoodDrinkEurope⁴. The share of GI was 5.7% in 2010. On the 2005-2010 period, the EU food and drink sector had been dynamic with a 13.9% increase, although the GI sector increased a little less (+12.1%). Furthermore, we can notice that the 2009 decrease concerned both sectors and that GI sales increased more than the total food and drink industry in the EU in 2010.

GI sales increased slightly less than the European food and drink industry total sales. The difference came from the fact that rapidly growing markets between 2005 and 2010, within the food and drink industry (for instance dairy products other than cheeses, non-alcoholic drinks, prepared meals, food ingredients, health products... (source: PRODCOM)), were not or nearly not covered by GIs for various reasons: different producers' strategies, innovations which did not match with the GI framework (made for traditional products) and regulatory coverage of GIs.

Figure 5 – Index evolution of sales value for GI sector and EU food and drink sector in the EU 27 between 2005 and 2010 (base: 100 = 2005)



Based on AND-international survey for DG AGRI and FoodDrinkEurope

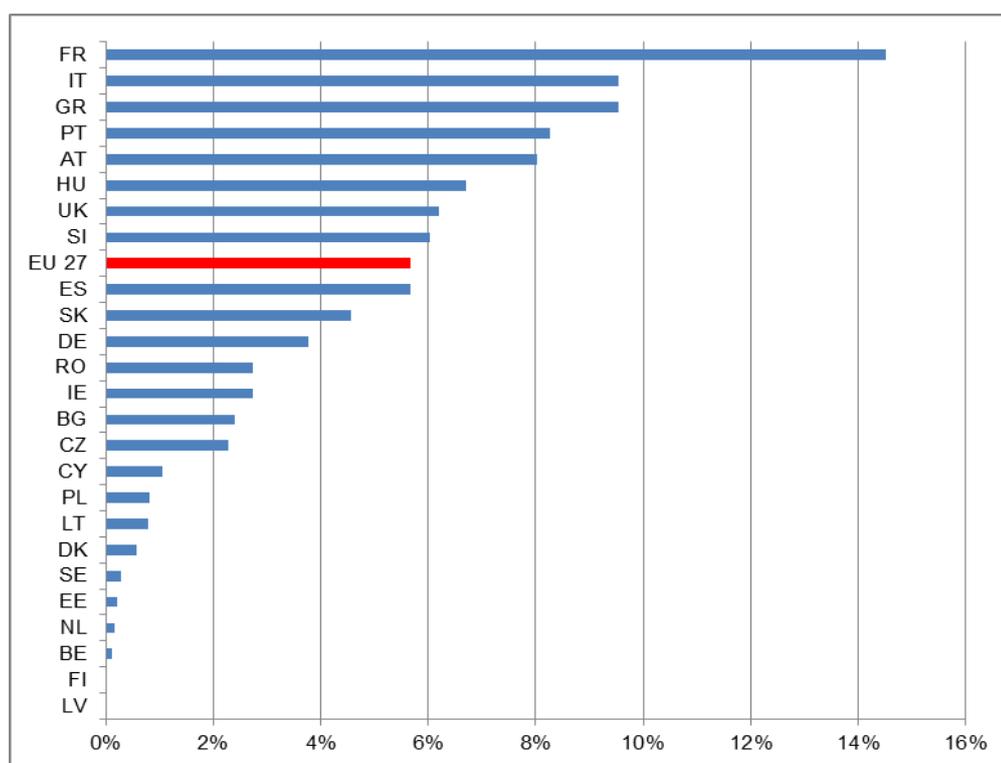
We can notice a great difference between MS considering the share of national GI in the national food and drink industry:

- The GI sector in France accounted for 14.5% of the food and drinks sector, notably thanks to the large share of its vineyard under PDO;
- The share of GI was close to 10% for three other Mediterranean countries: Italy; Portugal; Greece. While Italy was the second MS after France in terms of sales value, the weight of Greece and Portugal in the total GI sales value was moderate. However, this figure shows the important involvement with respect to GI schemes in these MS.
- Austria, Hungary, Slovenia and Slovakia also had significant GIs (between 4.6 and 6%), mostly wine.

⁴ http://www.fooddrinkeurope.eu/uploads/publications_documents/Final_DT_2012_04.06.pdf

- Despite a small number of GIs, the UK and Germany showed a significant share of food and drinks sector under GI, mainly due to GIs in the whisky and beer sectors.
- GIs in Spain only accounted for 5.7% of the national food and drink sector value. The difference with other large Mediterranean countries was due to the low share of its wine sold under PDO/PGI.
- In Romania, Ireland, Bulgaria, and Czech Republic, about 2.5% of the total sales were under GI, mostly due to wine, spirits and beers.
- The share of GI was very limited in other MS (1% and less).

Figure 6 - Share of national GI in the national food and drink industry in each MS



Based on AND-international survey for DG AGRI and FoodDrinkEurope

Table 9 - Share of national GI in the EU food and drink industry and by MS

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Sales value in 2010 (M€) | |
|-----------------|-------------------|-------------|-------------|-------------|-------------|-------------------|--------------------------|-------------------------------|
| | | | | | | | GI | Total food and drink industry |
| FR | 13.2% | 13.4% | 13.4% | 14.1% | 14.1% | 14.5% | 20 854 | 143 600 |
| IT | 9.3% | 9.5% | 9.8% | 9.0% | 8.8% | 9.5% | 11 806 | 124 000 |
| GR | 8.5% | 8.4% | 8.7% | 7.7% | 8.5% | 9.5% | 1 058 | 11 100 |
| PT | 9.3% | 8.9% | 9.3% | 6.9% | 6.8% | 8.3% | 1 158 | 14 000 |
| AT | 7.4% | 7.7% | 7.1% | 7.1% | 7.3% | 8.0% | 932 | 11 600 |
| HU | 7.7% | 5.7% | 6.1% | 5.4% | 5.7% | 6.7% | 496 | 7 400 |
| UK | ¹ 4.9% | 4.9% | 5.3% | 6.0% | 5.9% | 6.2% | 5 506 | 88 900 |
| ES | 7.2% | 5.7% | 5.7% | 5.5% | 5.3% | 5.7% | 4 578 | 80 700 |
| SK | 5.7% | 4.1% | 3.7% | 3.3% | 4.5% | 4.6% | 165 | 3 600 |
| DE | 3.9% | 3.9% | 3.8% | 3.7% | 3.9% | 3.8% | 5 728 | 151 800 |
| RO ² | / | / | 2.5% | 2.4% | 3.0% | 2.7% | 268 | 9 800 |
| IE | 3.4% | 2.9% | 3.1% | 2.7% | 2.4% | ¹ 2.7% | 607 | 22 200 |
| BG ² | / | / | 1.7% | 0.9% | 2.0% | ¹ 2.4% | 99 | 4 100 |
| CZ | 2.1% | 1.8% | 1.7% | 2.3% | 2.1% | 2.3% | 242 | 10 600 |
| LT | 1.0% | 1.2% | 1.3% | 1.1% | 0.9% | ¹ 0.8% | 23 | 2 900 |
| NL | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | ¹ 0.2% | 105 | 59 800 |
| BE | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 45 | 39 000 |
| EU 27 | 5.8% | 5.8% | 5.8% | 5.5% | 5.3% | 5.7% | 54 346 | 956 200 |

Source: AND-international survey for DG AGRI and FoodDrinkEurope

1: Sales value of the total food and drink industry not available for these years and estimated based on data for other years

2: Bulgaria and Romania joined the EU in 2007

1.5. Size of individual GIs

In these analyses, the size of GIs was considered through the importance of sales value.

The average sales value of individual GIs (i.e. "Mean") was €19.6 million in 2010, but 50% of them (i.e. "Median") were smaller than €1.1 million. The difference between mean and median was particularly true for the spirits scheme, which was dominated by a few large GIs.

Table 10 - Statistical indicators on GIs by scheme in 2010 (k€)

| | Mean | Median | Number of GI |
|---------------------------------|--------|--------|--------------|
| Spirits | 24 180 | 182 | 337 |
| Wine | 19 472 | 1 063 | 1 560 |
| Agri prod, and foodstuff | 18 171 | 1 191 | 867 |
| Aromatised wine | 7 837 | s | 4 |
| Total GI | 19 621 | 1 063 | 2 768 |

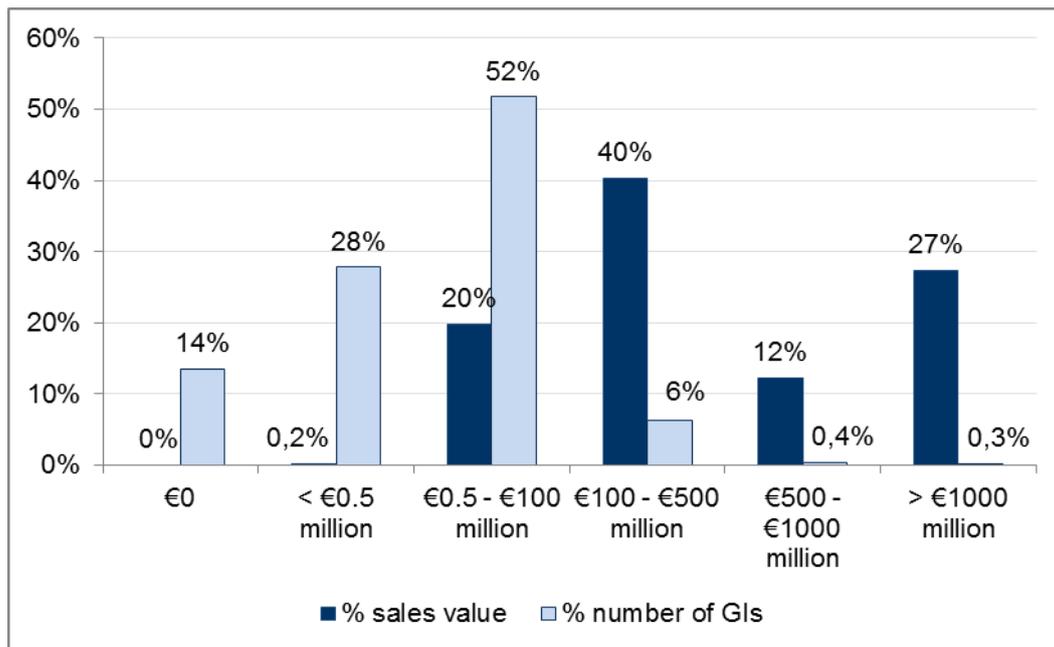
Source: AND-international survey for DG AGRI

s: statistical confidentiality

Furthermore, considering categories of size:

- 27% of sales value (€14.9 billion) was gathered by 7 GIs over €1 billion (0.3% of the GIs).
- The sales value of half of the GIs was between €0.5 million and €100 million; these GIs accounted for 20% of the EU sales value (€10.8 billion).
- The sales of 28% of GIs were under €0.5 million and this group gathered only 0.2% of EU sales (770 GIs accounting for €131 million).
- No sales were identified for 14% of the GIs (15% for agricultural products and foodstuffs, 13% for wines, 12% for spirits and 0% for aromatised wines).

Figure 7 - % sales value and % of GIs by category of size (2010)

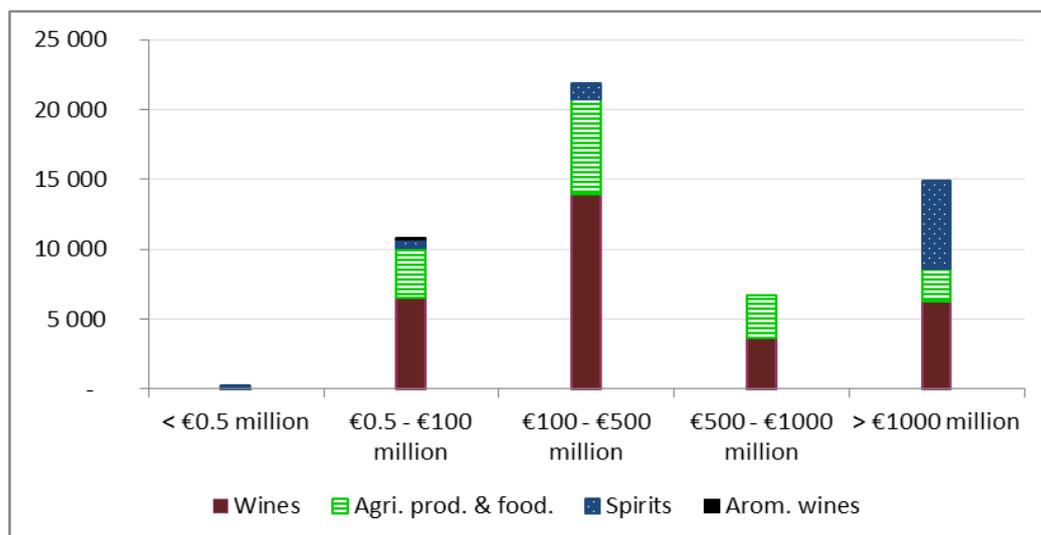


Source: AND-international survey for DG AGRI

In the category of GIs over €1 billion, spirits drinks and wines accounted each for 42% of the sales value and this category accounted for 72% of spirits total sales value.

In the agricultural products and foodstuffs scheme, the largest category was the €100 - €500 million one. It represented 43% of the sales value with 48 GIs. Only 2 GIs were over €1 billion, they accounted for 15% of sales value of this scheme.

Figure 8 – Sales value by scheme and category of size in 2010 (M€)



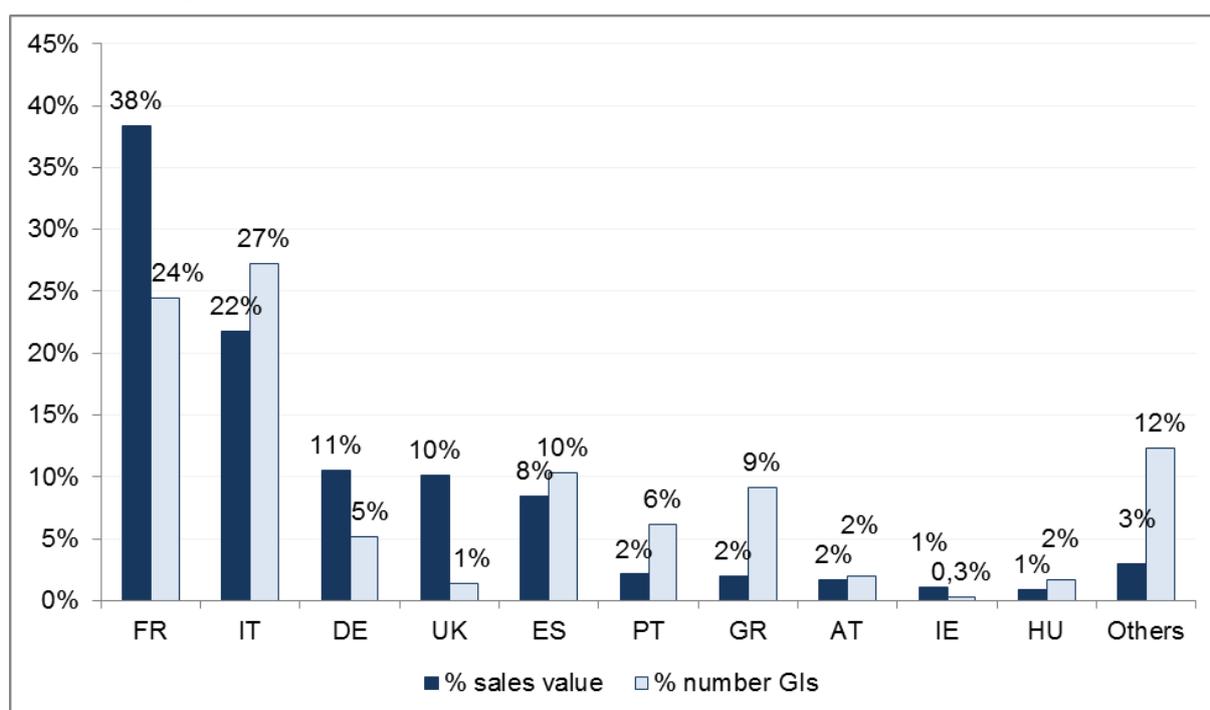
Source: AND-international survey for DG AGRI

2. Sales value by Member State

A few MS gathered a large share of the total sales value: France, Italy, Germany, the United Kingdom and Spain accounted for 89% of the sales value.

The average size of GIs was highly different among the different MS. On the one hand, Germany and the United Kingdom accounted for 21% of EU sales value with only 6% of the number of GIs. On the other hand, Portugal and Greece accounted for 4% of the EU sales value with 15% of the number of GIs.

Figure 9 - % of the sales value and the number of GIs by MS (2010)



Source: AND-International survey for DG AGRI

2.1. MS with significant GI sales: France and Italy

Italy and France were the leading MS, accounting for 60 % of the total value under GI and having 3 similar characteristics:

- A large number of GIs;
- A balance in the total sales value between the different schemes;
- More than 9% of the national food and drink sector under GI.

2.1.1. France: the importance of wine

The table below gives the sales value by sector in France from 2005 to 2010.

Table 11 – French GI sales value by scheme (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|---------------|
| Wines | 14 368 | 15 176 | 16 328 | 16 819 | 15 081 | 15 714 | 75% | 9% |
| Agri. prod. & food. | 2 416 | 2 447 | 2 452 | 2 614 | 2 821 | 3 045 | 15% | 26% |
| Of which: | | | | | | | | |
| Cheeses | 1 306 | 1 327 | 1 290 | 1 386 | 1 542 | 1 571 | 8% | 20% |
| Fresh meat | 499 | 456 | 503 | 518 | 488 | 531 | 3% | 6% |
| Meat products | 214 | 229 | 255 | 272 | 318 | 356 | 2% | 66% |
| Fruit, veg. & cer. | 154 | 150 | 131 | 159 | 195 | 190 | 1% | 23% |
| Oils and fats | 136 | 137 | 121 | 124 | 116 | 129 | 1% | -5% |
| Others | 108 | 149 | 150 | 155 | 162 | 268 | 1% | 148% |
| Spirits | 1 590 | 1 735 | 1 848 | 1 853 | 1 647 | 2 094 | 10% | 32% |
| Total | 18 374 | 19 358 | 20 628 | 21 286 | 19 550 | 20 854 | 100% | 13% |

Source: AND-International survey for DG AGRI

Note: for confidentiality, aromatised wines scheme data are not detailed by MS.

First, the GI wine sales value was very important in France, with 75% of total French GI sales. This was due to the fact that France is a large wine producer, with an important share of sales under GI and a high average price (see chapter on wine). French wines represented 29% of the total EU 27 sales value under GI in 2010.

Secondly, the GI spirit sector was also important (€2.1 billion and 10% of the total French GI sales) but not as large as the GIs in the wines and the agricultural products and foodstuffs schemes. Most of the sales value is accounted by one GI: Cognac.

Thirdly, the sales value of French GIs increased rather quickly if we consider the differences between 2005 and 2010, but in fact it fluctuated. For instance, in the wine sector the highest year was 2008; after that, sales value dropped by 10% in 2009 and regained 4% in 2010. This shows that French wines sales were sensitive to the general crisis in 2009. Furthermore, weather conditions also had an important role in the evolutions; over the last few years the 2004 harvest had been the highest in terms of volume (58.8Mhl for all wines in France) and the 2008 one was the lowest (42.8Mhl, source: DGDDI in FranceAgriMer).

Fourthly, progress also came from the agricultural products and foodstuffs scheme. It grew by 26% in 5 years: this was a very good performance in the European food market context characterised by very low growth. In this case, the positive evolution was linked to the increase of prices, as volumes had only grown by 2% from 2005 to 2010.

Cheese production remained the major factor of the evolution of French GIs in agricultural products and foodstuffs scheme (more than 50% of sales value), but it was characterised by a significant rise in prices (+29%) whereas the volume had been reduced by 7%.

The tendency in poultry products (14% of the sales value of French GIs in agricultural products and foodstuffs scheme in 2010) was similar, as the volume decreased by 6% (from 2005 to 2010) and its value grew by 15%. Prices rose by 23%. This last example reflects the evolution of grain markets, as feed accounted for 70% of poultry costs. But this also reflected a defensive strategy led by producers. Farmers and processors kept prices high rather than maintaining volumes. The French GI poultry market was characterised by a low rate of expedition to EU MS and export to third countries.

In addition, growth also relied on more production (meat products, fruit and vegetables) or on newly registered products (seafood, mustard paste).

2.1.2. Italy: a balance between wine and agricultural products and foodstuffs

Italy was in the first rank for agricultural products and foodstuffs, the second for wine, and the fifth for spirits. It had a very wide range of GI products that reflected the diversity of its regions and the wealth of its gastronomy.

Table 12 – Italian GI sales value by scheme (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|-------------|---------------|
| Wines | 5 031 | 5 563 | 5 778 | 5 451 | 5 221 | 5 690 | 48% | 13% |
| Agri. prod. & food. | 4 735 | 4 712 | 5 090 | 5 161 | 5 232 | 5 982 | 100% | 26% |
| Of which: | | | | | | | | |
| Cheeses | 2 848 | 2 836 | 3 047 | 3 107 | 3 006 | 3 426 | 57% | 20% |
| Meat products | 1 612 | 1 534 | 1 593 | 1 674 | 1 876 | 1 871 | 31% | 16% |
| Fruit, veg. & cer. | 179 | 233 | 326 | 269 | 230 | 320 | 5% | 79% |
| Oils and fats | 61 | 65 | 60 | 60 | 73 | 73 | 1% | 20% |
| Spirits | 150 | 145 | 165 | 152 | 124 | 134 | 1% | -11% |
| Total | 9 916 | 10 420 | 11 033 | 10 764 | 10 577 | 11 806 | 100% | 19% |

Source: AND-International survey for DG AGRI

Note: for confidentiality, aromatised wines scheme data are not detailed by MS.

The sales of Italian GI products were balanced between wines and agricultural products and foodstuffs at around €6 billion each. The sales value in spirits was rather weak compared to the whole GI sales value in Italy.

Indeed, the traditional northern Italian food industry had developed an original skill in processing and marketing high valued products (cheese, cured ham, olive oil, vinegar...) whose characteristics fit very well with GI definition.

The situation here was different from France, as the sales volume of Italian GI in agricultural products and foodstuffs scheme was increasing. The evolution in terms of sales also relied on volumes, and not only on price.

The case of Italian cheese was a good example: the quantities sold had grown up by 10% between 2005 and 2008, then dropped by 5% in 2009 (general crisis) and increased again in 2010 (2%). The evolution from 2005 to 2010 was about 6%. Meanwhile, prices increased (+13% between 2005 and 2010), mainly due to the increase in the price of milk in 2010. As a result sales were 20% up in 2010 compared to 2005.

With hams the situation was different as quantities sold dropped down in 2010, with a higher price. Until that year the evolution was similar to the cheese case.

The growth of the sales value in the Italian agricultural products and foodstuffs scheme also relied on newly registered products in the fruit, vegetable and cereal categories (whose value had almost doubled between 2005 and 2010) and the important sales under the PGI Aceto Balsamico di Modena.

Concerning wines, the Italian model was also balanced between PDO wines, PGI wines and wines without GI. Production under the GI scheme had no monopoly on high prices: the situation is, in this case again, different from that of France.

As a whole, GI wine sales values and volumes had been fluctuating during the period, following the general evolution in the European wine market: a peak in 2007, the lowest level in 2008 and a recovery in 2010.

2.2. MS with significant GI sales but a limited number of designations: The United Kingdom, Germany, Ireland, Poland, the Czech Republic

Altogether, the GI sales value of these Member States accounted for 23% of EU sales. Germany and the United Kingdom were in third and fourth place among the EU 27 MS and respectively accounted for 11% and 10% of the EU sales value. Ireland, Poland and the Czech Republic accounted for 2.2% of the EU sales value.

The common characteristics of the GI sector in these MS were:

- In each of these MS an important share of the sales value was concentrated among a limited number of large sized GIs.
- The registration under GI was made under European rules and not before (there was no legal framework of GIs in these MS except for wines in the Czech Republic);
- All the schemes were not used in each MS: production of wine was absent or limited in the United Kingdom and Ireland, there were no or limited sales of spirits under GI in the Czech Republic and Germany.

2.2.1. Germany: beer & wine

German GI production was far from insignificant, as this MS was in third place for total GI sales value, and a leader for the GI beer marketing. As a matter of fact, beverages constituted a very large part of the German GI sales value (80%).

Table 13 – German GI sales value by categories (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|---------------|
| Wines | 2 058 | 2 075 | 2 237 | 2 365 | 2 376 | 2 277 | 40% | 11% |
| Agri. prod. & food. | 3 029 | 3 223 | 3 228 | 3 314 | 3 374 | 3 375 | 59% | 10% |
| Of which: | | | | | | | | |
| Beers | 2 228 | 2 334 | 2 283 | 2 285 | 2 282 | 2 243 | 39% | 1% |
| Meat products | 401 | 488 | 541 | 617 | 676 | 706 | 12% | 76% |
| Bread, pastry... | 169 | 169 | 169 | 169 | 174 | 178 | 3% | 5% |
| Waters | 145 | 146 | 144 | 145 | 143 | 143 | 3% | -1% |
| Cheeses | 40 | 40 | 44 | 46 | 45 | 50 | 1% | 25% |
| Others | 46 | 47 | 47 | 52 | 55 | 55 | 0% | -50% |
| Spirits | 77 | 76 | 76 | 77 | 78 | 76 | 1% | -1% |
| Total | 5 164 | 5 374 | 5 541 | 5 756 | 5 828 | 5 728 | 100% | 10% |

Source: AND-International survey for DG AGRI

Note: for confidentiality matters, aromatised wines scheme data are not detailed by MS.

Thus, wines accounted for less than 40% of the total German GI sales value and beer for a bit more than 40%. GI spirit marketing was negligible.

Concerning agricultural products and foodstuffs, excluding any kind of beverages, the main German GIs were meat products and pastries. In 2010, the total food sales were worth a bit less than €1one billion.

The sales value of almost all types of products had been growing over the period. Exceptions were: fruit and vegetables (some GI productions have slumped to zero, but new ones emerged), seafood (down by more than 70%).

Wine sales value increased by 15% over the period, in a continuous way (this was not the case for Italian, French or Spanish wine sales that had suffered of the 2008/2009 economic crisis). The German evolution relied on progression in prices (+16% between 2005 and 2010) though volumes were slightly decreasing. Furthermore, almost all German wines were under the PDO scheme and the PGI sales were negligible.

In the beer sector, the sales value was estimated to be stable.

2.2.2. The United Kingdom: whisky, fish and fresh meat

More than 80% of the British GI sales were constituted by spirits, with only three GIs. Thus, the United Kingdom ranked first for GI spirits and fourth for the total GI sales. The main GIs were produced in Scotland and Wales.

Table 14 – British GI sales value by categories (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|---------------|
| Wines | 12 | 5 | 9 | 13 | 13 | 13 | 0% | 8% |
| Agri. prod. & food. | 1 134 | 1 151 | 1 103 | 989 | 918 | 1 059 | 19% | -7% |
| Of which: | | | | | | | | |
| Fresh meat | 315 | 327 | 334 | 307 | 442 | 491 | 9% | 56% |
| Cheeses | 98 | 103 | 113 | 104 | 77 | 87 | 2% | -11% |
| Others | 721 | 721 | 656 | 578 | 399 | 481 | 9% | -33% |
| Spirits | 3 889 | 4 049 | 4 522 | 4 275 | 3 893 | 4 434 | 81% | 14% |
| Total | 5 035 | 5 205 | 5 634 | 5 277 | 4 825 | 5 506 | 100% | 9% |

Source: AND-International survey for DG AGRI

In the agricultural products and foodstuffs scheme, the main categories were fresh meat, seafood, vegetables and cheese. Sales were decreasing for all of them except fresh meat. For this range of products, the growth was rapid: volume grew by 33% from 2005 to 2010 and value was up by 55%. On the contrary, 'sea products' volumes were down by a third (and value by more than 40%). This evolution was linked to stakeholders' strategies and to the evolution of the EU labelling rules of GI since 2009. Cheese production had been fluctuating with a maximum in 2007 and a minimum in 2009.

In the spirit scheme, the largest share of the sales value is represented by Scotch Whisky. The sales value increased by 10% over the period thanks to a progression in price as well as in volume.

In addition, there were few sales of wine in England and Wales (€13 million). Our estimate indicated a little growth.

2.2.3. Ireland and Poland: importance of spirits

The Irish GI sales relied on eight denominations. Three of them were spirit drinks and provided the most of the sales. This production allowed the Republic of Ireland to be at the ninth rank among the EU 27 Member States. Other products are cheese and fish, with very limited but stable sales.

Poland ranked in the 11th position among the 27 MS of the EU for 12 GIs registered. The three spirits under GIs accounted for 99% of the sales value in 2010. A large share of the value was held by the leading product - Polska Wódka/Polish vodka.

2.2.4. The Czech Republic: beer & wine

The Czech Republic was at the 13th rank among the 27 EU MS. Overall sales were €240 million in 2010. The Czech GI production was mainly beer (more than €100

million sales in 2010), wine (about €60 million) and different food products whose best sales relied on hops and cumin.

The sales value under GI significantly grew thanks to the beer sector and to newly registered GIs since 2008. However, there was a sharp depression in the PDO wine sales value (-50% in 2009, with a slight recovery in 2010).

2.3. MS with moderate GI sales value compared to number of GIs: Spain, Greece, Portugal

These MS had the following characteristics:

- Limited sales value (13% of EU 27 sales value under GI) in comparison to the number of GIs (26% of EU 27 GIs).
- A balance between the different schemes: wines, agricultural products and foodstuffs and spirits.
- A significant place for GI in the national food and drink sector in Greece and Portugal (more than 8%) and a more limited place in Spain (5.6%).

2.3.1. Spain: 3rd MS in terms of number of GIs, 5th MS in terms of sales value

Spain was in fifth place among Member States for the total sales value under GI. This position was largely due to the wine and spirit industries. Value and quantities had not significantly changed during the period, despite vineyard restructuring.

Table 15 – Spanish GI sales by categories (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|---------------|
| Wines | 3 683 | 3 441 | 3 430 | 3 738 | 3 481 | 3 502 | 76% | -5% |
| Agri.prod. & food. | 796 | 761 | 833 | 859 | 805 | 869 | 19% | 9% |
| Of which: | | | | | | | | |
| Cheeses | 161 | 156 | 174 | 146 | 166 | 186 | 4% | 16% |
| Meat products | 134 | 166 | 154 | 150 | 178 | 166 | 4% | 24% |
| Fresh meat | 137 | 146 | 175 | 190 | 169 | 163 | 4% | 19% |
| Fruit, veg. & cer. | 146 | 97 | 136 | 171 | 124 | 159 | 3% | 9% |
| Oils and fats | 90 | 98 | 81 | 92 | 82 | 72 | 2% | -20% |
| Others | 128 | 98 | 114 | 109 | 86 | 123 | 3% | -4% |
| Spirits | 239 | 225 | 217 | 253 | 233 | 207 | 5% | -13% |
| Total | 4 718 | 4 426 | 4 480 | 4 850 | 4 519 | 4 578 | 100% | -3% |

Source: AND-International survey for DG AGRI

Between 2005 and 2010, the sales value of Spanish GI had slightly decreased (-3%). In fact, the decline took place in 2008 and there was a partial recovery since that period. This negative tendency concerned the wine and spirit industries which gathered the most of the GI sales value in Spain. Over the same period, the sales value in the agricultural and foodstuffs scheme grew by 9%. Nevertheless this positive evolution was slower than in France and Italy, and was essentially due to the 2010 results (thus, it still has to be confirmed).

The production of GI agricultural products and foodstuffs relied on four product categories: cheese, fresh meat, prepared meat and fruit and vegetables. Each of them accounted for more or less one fifth of the total. The growth between 2005 and 2010 was between 8% and 23% for each of these categories. There were some differences: cheese quantity was declining but its value was increasing; fruit and vegetables volume and value were – as usual in fruit and vegetables sector – fluctuating; fresh meat sales volume and prices increased; and the same had happened with meat products. On the other hand, some production had declined, both in volume and value.

The changes for beverages were very different. The spirit industry was important (Spain being in fourth place among the EU 27) but declining significantly in 2010. This could be a collateral consequence of the reform of the Common Market Organisation in the wine sector that changed the economic conditions in brandy producing, as this kind of spirit had always had a central place in Spanish production. Nevertheless, the sales value decreased by 13% from 2005 to 2010.

2.3.2. Portugal: a good performance for the wine sector, small sized GIs in other schemes

Portugal held the sixth rank, all production included, for GI products in the EU 27. This was mainly due to the wine sector, whose share was about 82% of the total. Among the wine denominations, Porto was an essential contributor. But another characteristic of the Portuguese GI industry was the great number of very small agricultural and foodstuff denominations. Since 2007, this scheme, constituted by very small firms whose sales are at a low level (less than €100 million altogether), had regularly grown - with a 50% increase over 4 years.

The GIs in agricultural products and foodstuffs scheme were based on more than one hundred denominations, whose average sales were far less than €1 million each. The main sectors are: fruit (pears), fresh meat (bovine), cheese (all kinds), and a very limited production of olive oil. The 49% growth from 2006 to 2009 relied on the fruit sales evolution, led by an increasing volume accompanied by a reduction in prices. Otherwise, we note an increase in sales volume for some bovine meat and an increase in sales value for ovine cheeses.

Table 16 – Sales value under GI in Portugal (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|---------------|
| Wines | 1 040 | 1 013 | 1 075 | 972 | 959 | 1 082 | 93% | 4% |
| Agri. prod. & food. | 59 | 49 | 65 | 68 | 73 | 73 | 6% | 24% |
| Of which: | | | | | | | | |
| Fruit, veg. & cer. | 31 | 19 | 35 | 33 | 40 | 40 | 3% | 29% |
| Cheeses | 9 | 10 | 11 | 13 | 12 | 12 | 1% | 33% |
| Fresh meat | 13 | 11 | 12 | 12 | 12 | 12 | 1% | -8% |
| Oils and fats | 5 | 6 | 6 | 7 | 6 | 6 | 1% | 20% |
| Meat products | 1 | 2 | 1 | 2 | 3 | 3 | 0% | 200% |
| Spirits | 3 | 3 | 3 | 3 | 3 | 4 | 0% | 33% |
| Total | 1 102 | 1 170 | 1 143 | 1 043 | 1 035 | 1 158 | 100% | 5% |

Source: AND-International survey for DG AGRI

The wine sector was constituted by two different subsectors. On the one hand, licor wines with well-known GIs on intra-EU and extra-EU markets (Porto and Madeira) with

a high value level - these classic GIs were declining or stable. On the other hand, there were several other denominations (still wines) in development both in terms of sales value and sales volume.

2.3.3. Greece: importance of agricultural products and foodstuffs

Greece was at the 7th rank among the 27 EU MS. Greek GI production mainly consisted of cheese (around three quarters), wine (less than 20%), spirits (less than 10%) and olive oil (less than 5%). Greece is characterized by the great importance of its leading GI in total sales value: Feta cheese. Thus, among the largest MS in terms of sales value under GI, Greece was the one with the most important share in the total sales value under GI for agricultural products and foodstuffs (71% of national sales value under GI).

Table 17 – Greek GI sales value by scheme (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|--------------------------------|------------|------------|------------|------------|--------------|--------------|-------------|---------------|
| Wines | 210 | 227 | 301 | 222 | 188 | 203 | 19% | -3% |
| Agri. prod. & food. | 610 | 618 | 606 | 622 | 711 | 753 | 71% | 23% |
| Spirits | 69 | 93 | 90 | 84 | 120 | 102 | 10% | 48% |
| Total | 888 | 939 | 997 | 929 | 1 019 | 1 058 | 100% | 19% |

Source: AND-International survey for DG AGRI

The sales value and volume of the main GIs grew over the period. The small ones have had various fates: some maintained themselves; others declined; only a few grew.

The sales value of agricultural products and foodstuffs other than cheese were both limited and stable, around €40 million for olive oil, less than €30 million for fruit (apple and dried grapes).

The sales value of spirits quickly grew from 2005 to 2009 and experienced a little depression in 2010. The several denominations of ouzo (distilled anis) accounted for the majority of the production. Sales volume and sales value dropped by more than 20% in 2010.

Greek GI wine sales volume was rather weak (less than half a million hectolitres) and continued to fluctuate over the period. It reached its lowest in 2010, down by 30% compared to the maximum of 2007.

2.4. Others MS with a significant share of GI sales in the wine sector: Austria, Hungary, Romania, Slovakia, Slovenia, Bulgaria, Cyprus, Malta

The total GI sales value of this group of Member States was €2.1 billion, that is to say 3.8% of the EU 27 sales value under GI. The share of GIs in the sales value of the food and drink industry was about 6% in each of these MS (the EU median of this ratio was 2.7% only).

The common characteristic of these MS was the importance of wine in their GI products: 99% in Hungary; 99.9% in Romania; 99.97% in Slovenia; 96.5% in Slovakia; 99.2% in Bulgaria. Austria had the most balanced GI schemes of this group with (only) 79% of the sales value for wine, 15% for agricultural products and foodstuffs and 6% for spirits.

Table 18 – Sales value under GI in the group of MS (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | <i>Evol. 2005/10</i> |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------------------|
| Wines | 1 395 | 1 267 | 1 584 | 1 608 | 1 604 | 1 811 | 87% | 30% |
| Agri. prod. & food. | 112 | 121 | 123 | 127 | 148 | 161 | 8% | 44% |
| Spirits | 105 | 100 | 113 | 123 | 122 | 119 | 6% | 13% |
| Total | 1 612 | 1 489 | 1 821 | 1 857 | 1 875 | 2 091 | 100% | 30% |

Source: AND-International survey for DG AGRI

2.5. Other MS with limited development of GIs until now: Denmark, the Netherlands, Sweden, Belgium, Luxembourg, Lithuania, Estonia, Finland, Latvia

The total GI sales value of this group is €365 million in 2010 (0.7% of EU 27 sales value).

Some of these MS had a significant number of GIs registered (more than 20 in Belgium and the Netherlands, contrasting with just one in Estonia). Nevertheless, the development of GIs had been limited in these MS until now: the MS with the most important sales value in 2010 was Denmark with €106 million. Furthermore, the sales value of GIs did not exceed 1% of the food and drink industry in each of these Member States.

These Member States share the following characteristics:

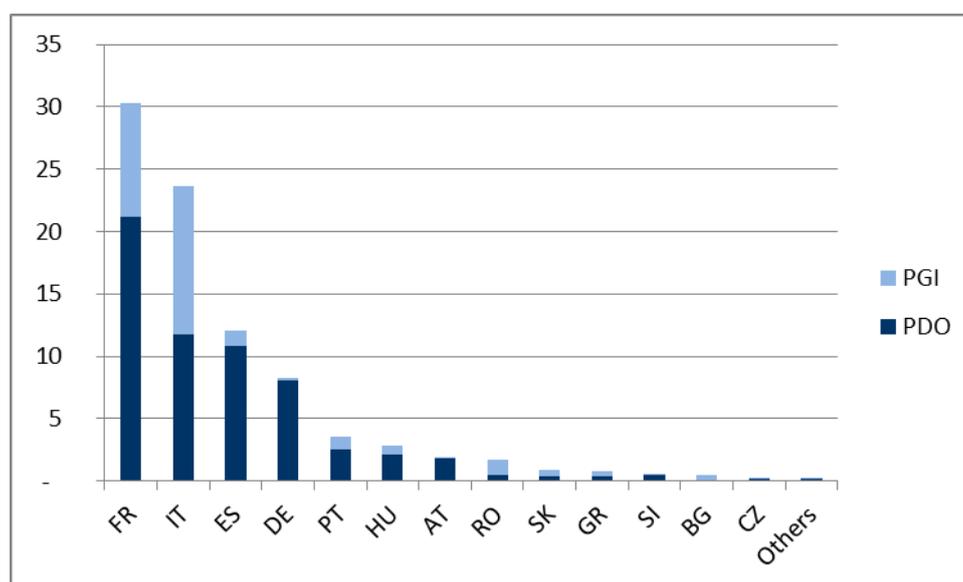
- None was a large wine producer;
- GIs in agricultural products and foodstuffs scheme had not been implemented prior to the EU regulation and remained, in most cases, at a limited scale.

3. Wines

3.1. PDO/PGI in the EU27 wine sector

In 2010, the total sales volume of GI wine was 87Mhl. Five MS represented 89% of this: France, Italy, Spain, Germany and Portugal. About 70% of this volume was PDO and 30% PGI.

Figure 10 – PDO/PGI sales volume by MS in 2010 (Mhl)



Source: AND-International survey for DG AGRI

The share of GI wine in the EU 27 wine sales volume⁵ was about 50% from 2005 to 2010: 35% for PDOs and 15% for PGIs.

Table 19 - Sales volume and % by category in the EU27 from 2005 to 2010 (Mhl)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| PDO | 59.4 | 61.4 | 62.2 | 59.7 | 56.7 | 60.1 |
| PGI | 27.1 | 25.0 | 27.4 | 26.2 | 26.6 | 27.1 |
| Non GI | 87.8 | 97.8 | 92.1 | 84.7 | 84.4 | 86.3 |
| Total | 174.2 | 184.2 | 181.8 | 170.5 | 167.7 | 173.5 |
| % PDO | 34.1% | 33.3% | 34.2% | 35.0% | 33.8% | 34.6% |
| % PGI | 15.5% | 13.5% | 15.1% | 15.4% | 15.9% | 15.6% |
| % Non-GI | 50.4% | 53.1% | 50.7% | 49.7% | 50.3% | 49.7% |

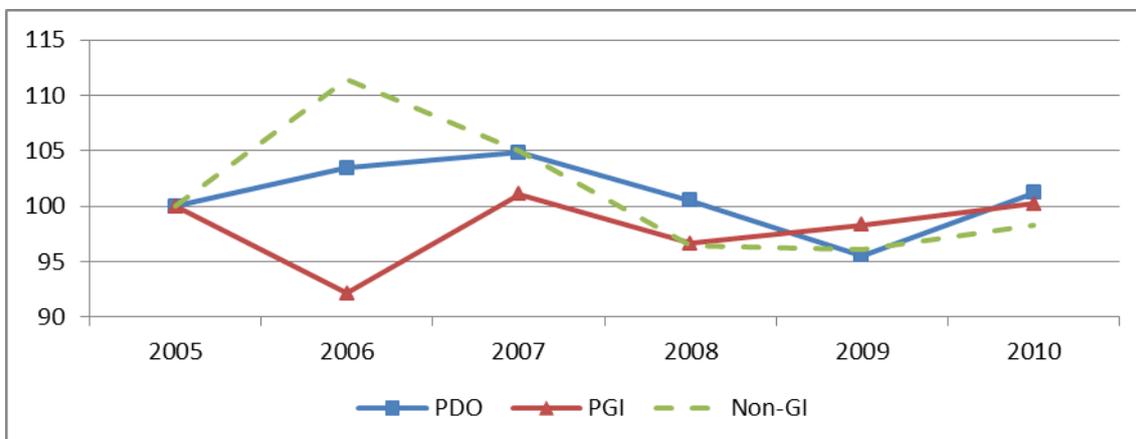
Source: DG AGRI and AND-International study

⁵ EU 27 total wine sales were calculated by taking into account the annual production, the opening stocks and the ending stocks. This method was also used to estimate the share of GI in national sales. Total sales included industrial uses (non-GI wine), which accounted for 19 to 37Mhl at EU level between 2004/05 and 2009/10 campaigns (source: DG AGRI).

Considering the relative stability of the GI share in the total wine sales, GI sales followed the same trend as non-GI wine. However, we can note two points:

- A decrease of PGI wines in 2006 when non-GI and PDOs increased.
- Even if non-GI wine and PDO wines followed the same trends, the one for PDOs were smoother (see peak of non-GI in 2006).

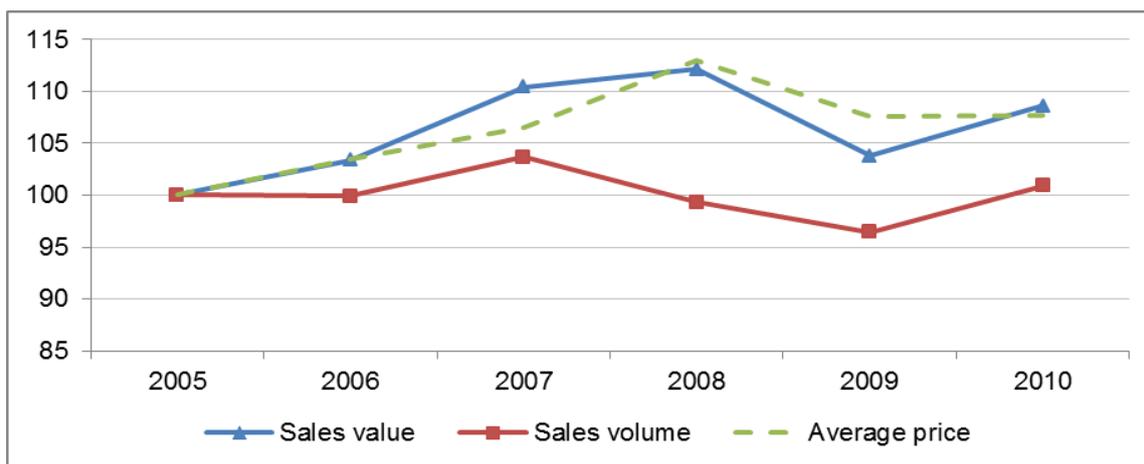
Figure 11 - Evolution index of PDO, PGI and non-GI sales volume (base = 100 in 2005)



Source: DG AGRI and AND-International study

Over the period, while sales volume under GI had been relatively stable (+0.9%), the sales value increased by 8.6% thanks to an increase of the average price (+7.7%).

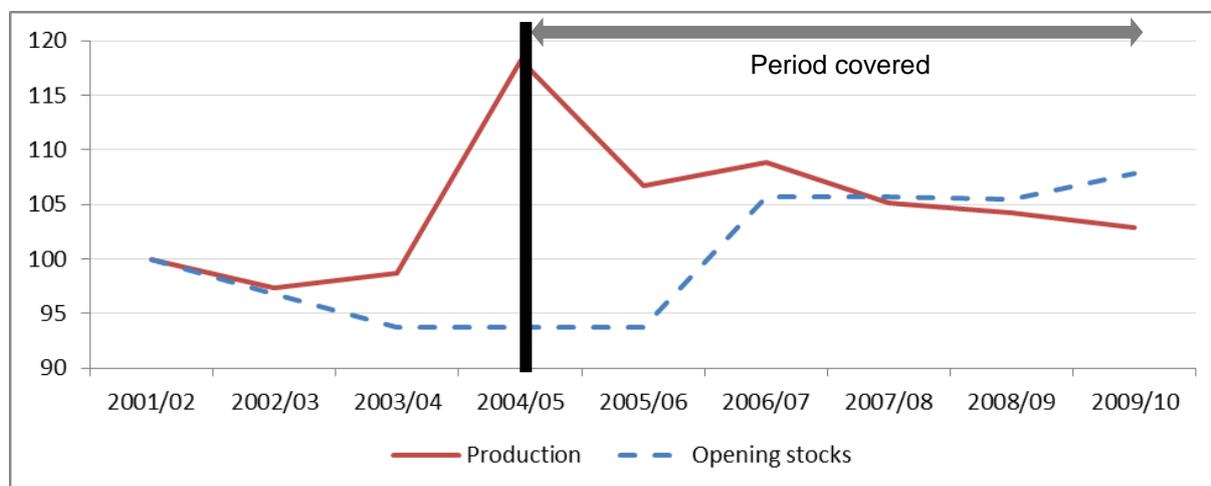
Figure 12 - Evolution index of sales value, sales volume and average price for wines under GI (base = 100 in 2005)



Source: DG AGRI and AND-International study

The beginning of the period covered was a peak of production, and the 2004/2005 – 2009/2010 period was characterised by a decrease of production and an increase of opening stocks. According to DG AGRI estimates, the grubbing up scheme had led to a 6% production decrease between 2008-2009 and 2010-2011

Figure 13 - Evolution of wine production and opening stocks of wine at EU level (base = 100 in 2001/02)



Source: DG AGRI

The share of GI wine in total sales was very different among MS, this being 87% in Germany, 67% in Austria, 66% in France – but only 48% in Italy and 32% in Spain.

Thus, we can consider four types of MS in relation to the importance of GI in this sector:

- Large producer with high specialisation in GIs: France;
- Large or medium producers with a mixed orientation towards GIs: Italy, Spain and Portugal.
- Medium or small producers with a strong orientation towards GIs: Germany, Hungary, Austria, Slovenia and Czech Republic.
- Medium or small producers with a low share of GIs by sales: Romania, Slovakia, Greece and Bulgaria.
- Very small producers of wine (less than 300 000 hl/year): Luxembourg, Cyprus, the United Kingdom, Malta, Belgium, Netherlands and Denmark.

Table 20 - Average sales volume of wine (2010) per category and % per category (1000hl)

| | Total | PDO | PGI | Non-GI | % PDO | % PGI | % non-GI | % total |
|-----------------|---------|--------|--------|--------|-------|-------|----------|---------|
| IT | 49 213 | 11 795 | 11 795 | 25 624 | 24% | 24% | 52% | 100% |
| FR | 46 109 | 21 141 | 9 147 | 15 822 | 46% | 20% | 34% | 100% |
| ES | 24 602 | 10 813 | 1 198 | 12 592 | 44% | 5% | 51% | 100% |
| DE | 9 578 | 8 041 | 199 | 1 338 | 84% | 2% | 14% | 100% |
| PT | 6 299 | 2 485 | 1 068 | 2 746 | 39% | 17% | 44% | 100% |
| RO | 5 018 | 423 | 1 229 | 3 367 | 8% | 24% | 67% | 100% |
| SK | 3 540 | 330 | 547 | 2 664 | 9% | 15% | 75% | 100% |
| GR | 3 499 | 321 | 484 | 2 694 | 9% | 14% | 77% | 100% |
| HU | 3 158 | 2 088 | 735 | 335 | 66% | 23% | 11% | 100% |
| AT | 2 690 | 1 758 | 46 | 886 | 65% | 2% | 33% | 100% |
| BG | 1 445 | 78 | 412 | 955 | 5% | 29% | 66% | 100% |
| SI | 812 | 501 | 89 | 222 | 62% | 11% | 27% | 100% |
| CZ ¹ | 600 | s | s | s | s | s | s | s |
| LU ¹ | 135 | s | s | s | s | s | s | s |
| CY | 131 | s | s | s | s | s | s | s |
| MT ¹ | 37 | s | s | s | s | s | s | s |
| UK ¹ | 24 | s | s | s | s | s | s | s |
| BE ¹ | 3 | s | s | s | s | s | s | s |
| NL ¹ | 3 | s | s | s | s | s | s | s |
| DK | na | s | s | s | s | s | s | s |
| UE27 | 173 497 | 60 072 | 27 135 | 86 289 | 35% | 16% | 50% | 100% |

Source: DG AGRI and AND-International study

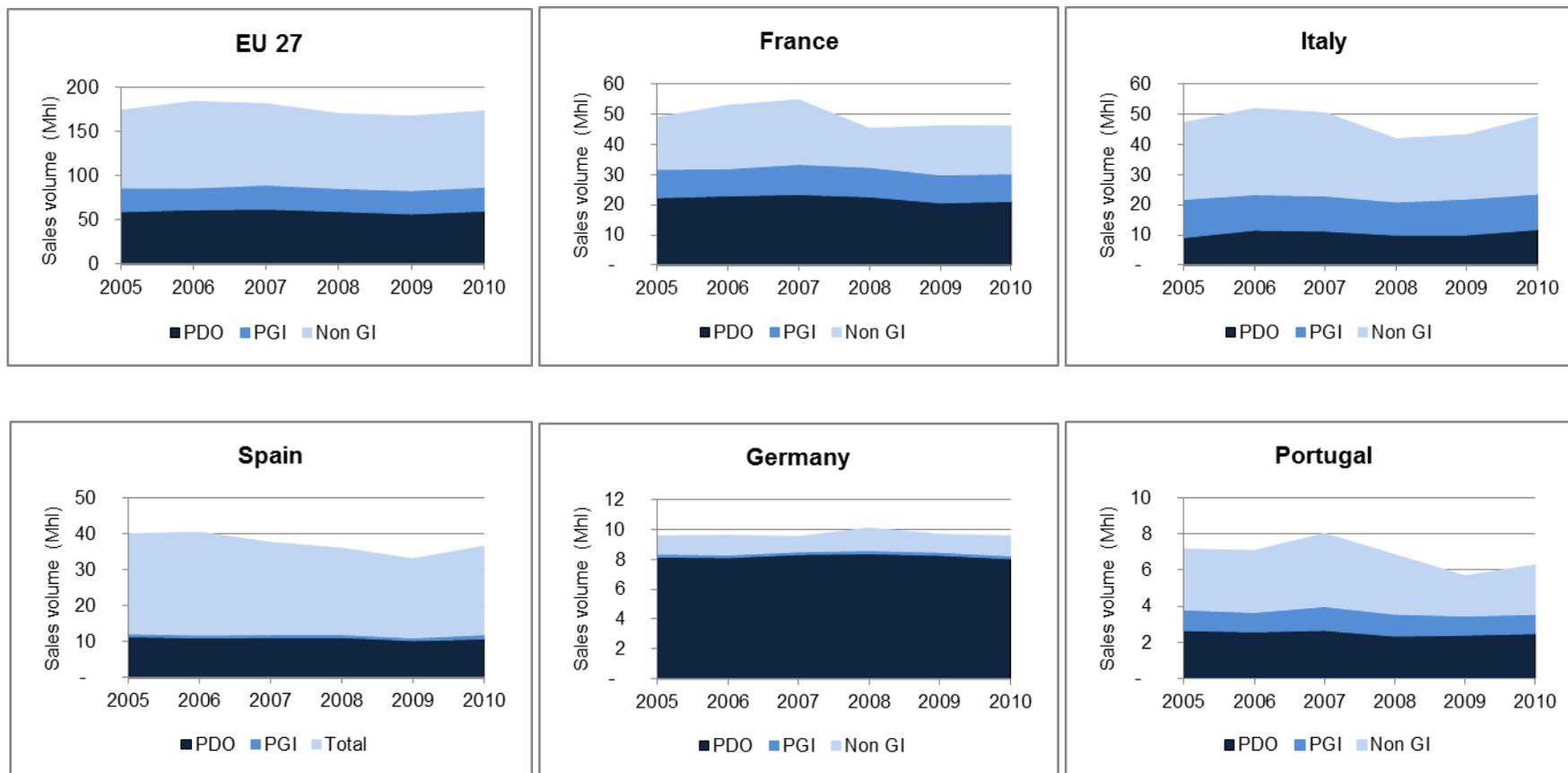
1: based on production

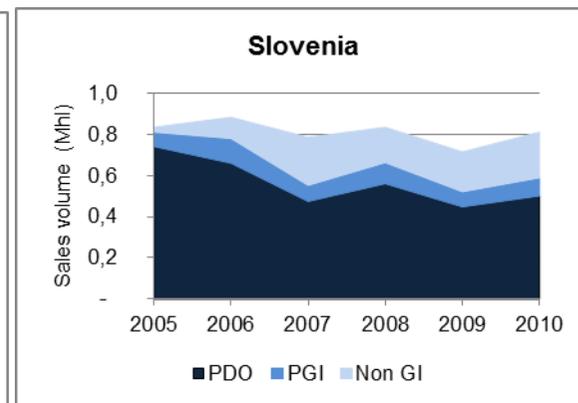
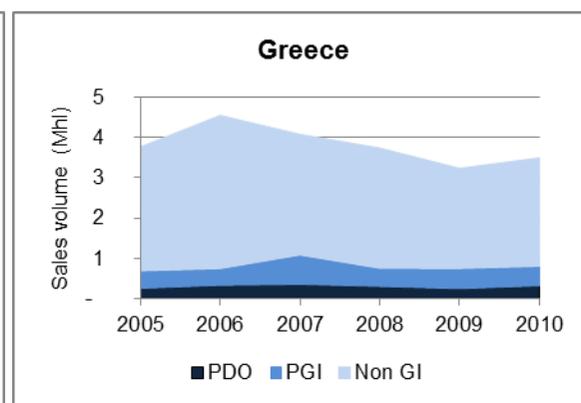
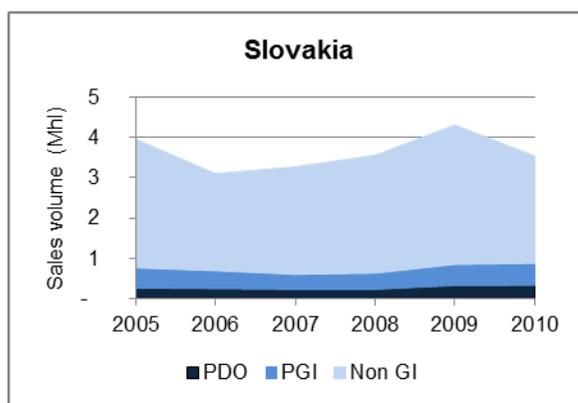
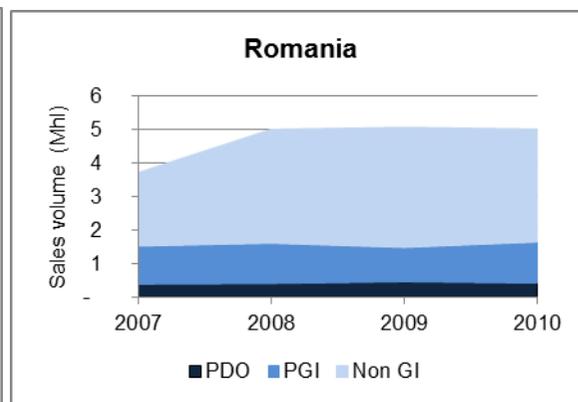
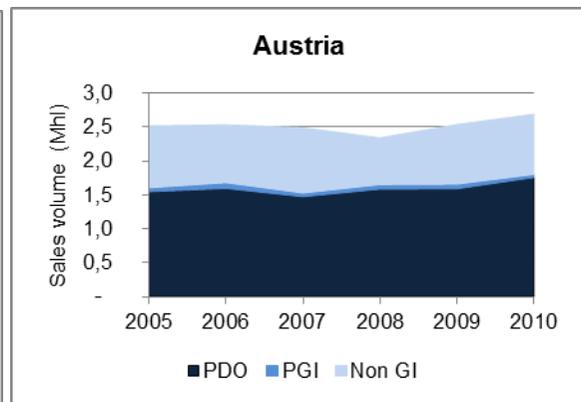
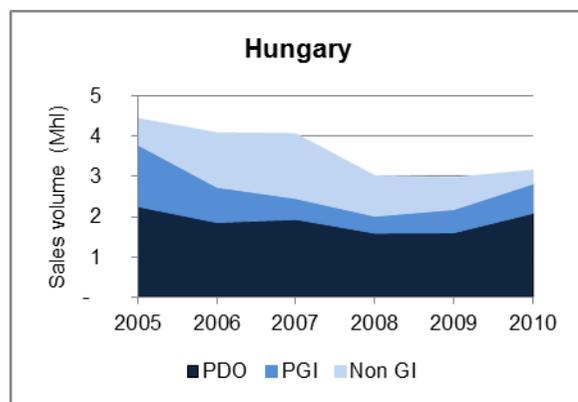
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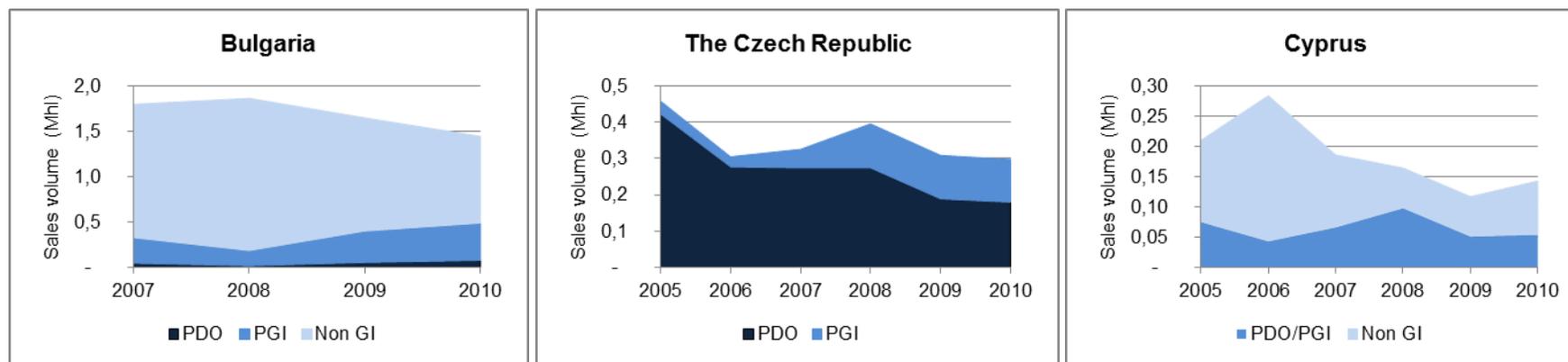
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The following figures, ordered from the largest GI wine producer to the smallest, show the evolution of the sales volume between 2005 and 2010 for the different categories of wine.

Figure 14 - Evolution of wine sales volume by category in the main MS producers of wine under GI from 2005 to 2010 (Mhl)







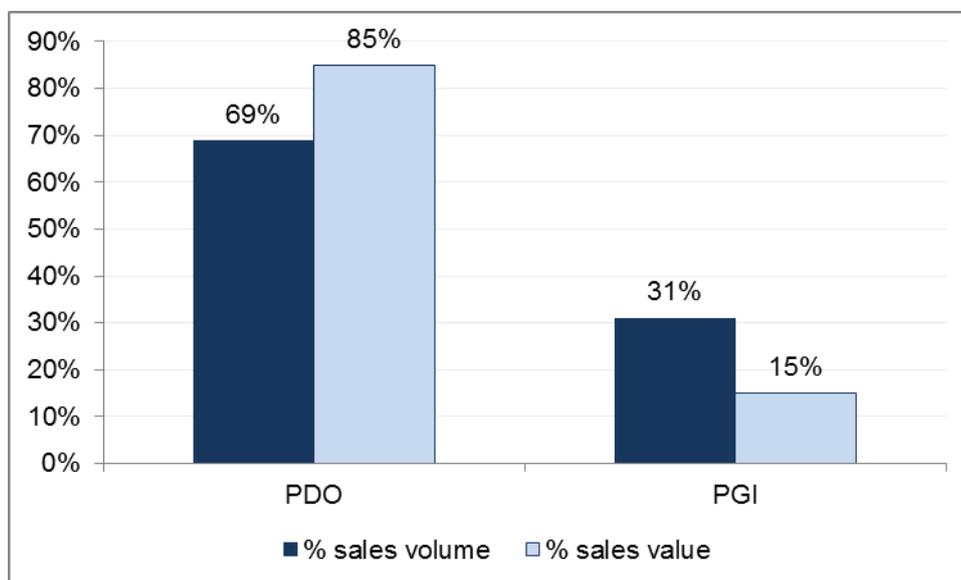
Source: DG AGRI and AND-International study

Note: no data were available on non-GI wine production in the Czech Republic.

3.2. Sales value of PDO/PGI wine

The sales value of GI wine was €30.4 billion in 2010; PDOs represented 85% of the sales value and 69% of the sales volume.

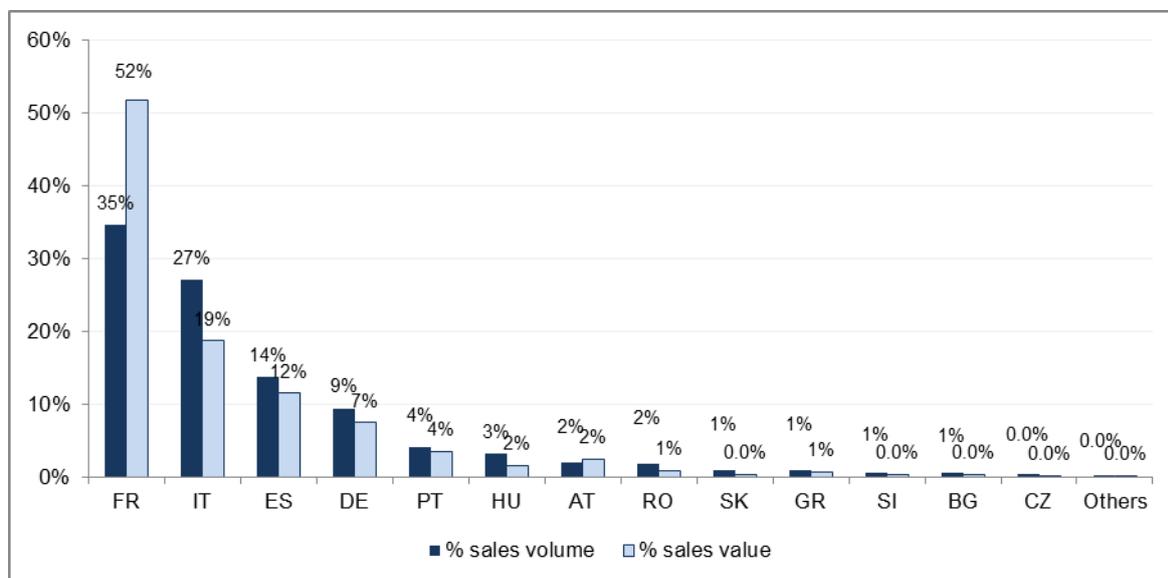
Figure 15 - Share of sales volume and sales value for PDO and PGI wines in the EU27 in 2010



Source: AND-International survey for DG AGRI

The five largest GI wine producers (France, Italy, Spain, Germany and Portugal) gathered 89% of the sales volume under GI and 93% of the sales value.

Figure 16 - Share of sales volume and sales value for PDO/PGI wine of the main MS in 2010

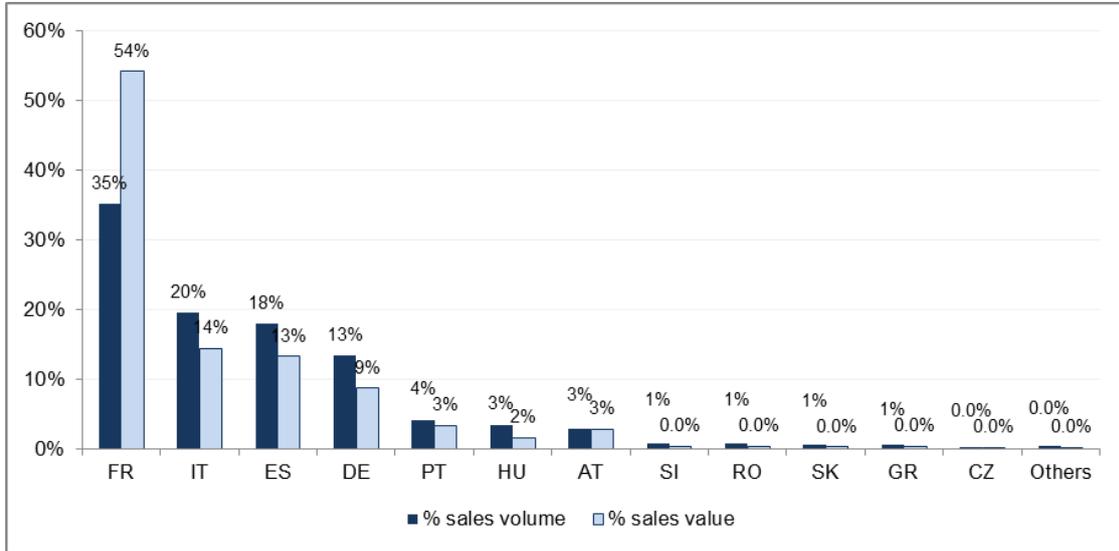


Source: AND-International survey for DG AGRI

The breakdown by MS shows that France was the leading MS in terms of sales volume and sales value thanks to a high average price compared to the other large wine producers.

The pre-eminence of France is confirmed if we focus on PDOs. Four countries gathered 86% of volume and 91% of value: France, Italy, Spain and Germany.

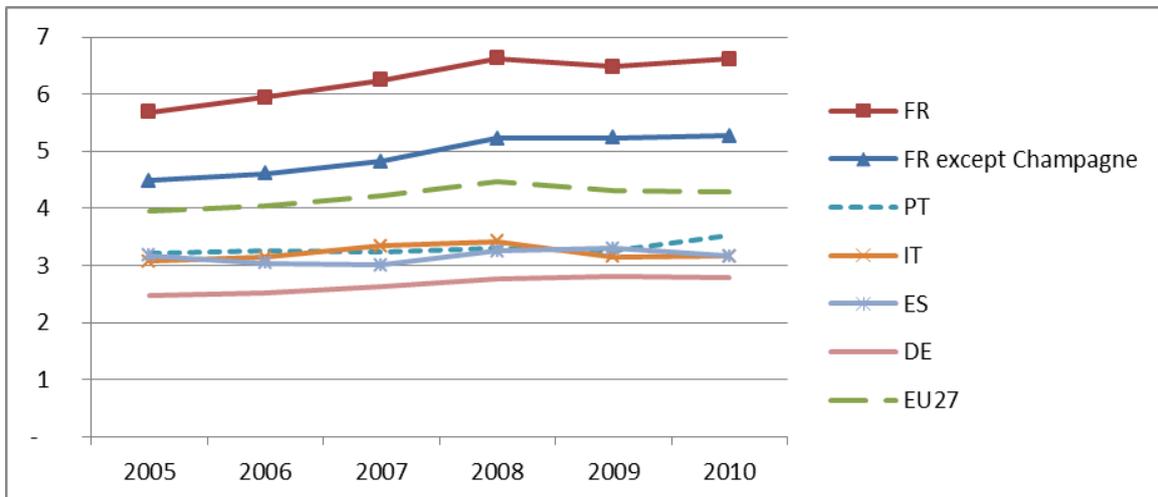
Figure 17 - Share of sales volume and sales value for PDO wine of the main MS in 2010



Source: AND-International survey for DG AGRI

The high valorisation of French wine was partly due to PDO Champagne but there were other factors. The following figure shows that the average price of other French PDOs was still higher than the average price of PDO wines in the other main MS.

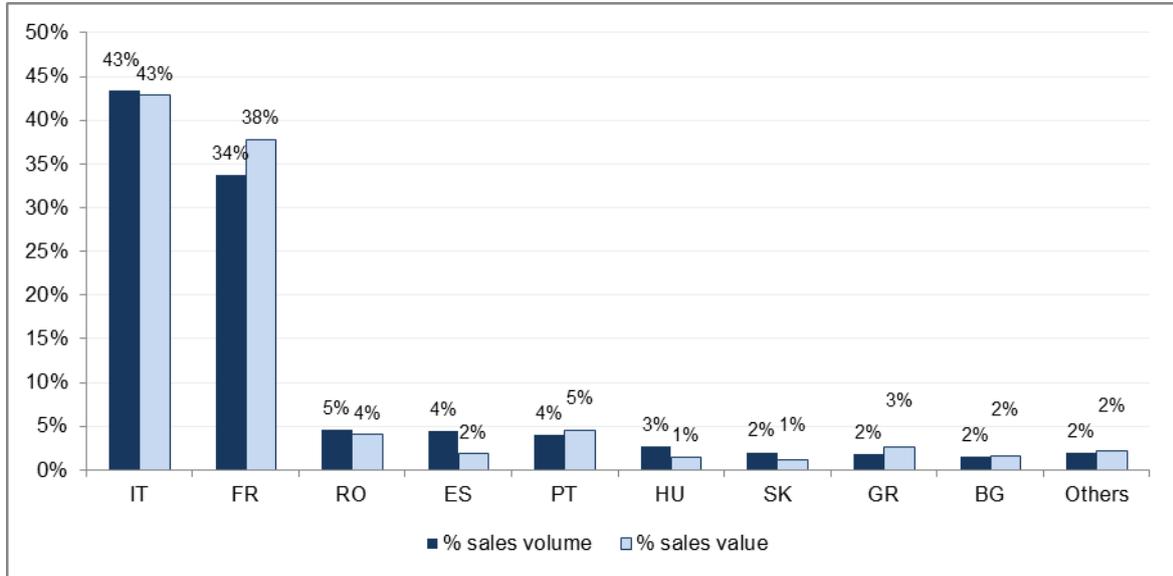
Figure 18 - Evolution of PDO wine prices in the main MS producers and in the EU 27



Source: AND-International survey for DG AGRI

Considering PGIs, Italy was ahead of France in term of sales volume and sales value. PGI sales were very concentrated: these two MS gathered 77% of the volume and 81% of the value.

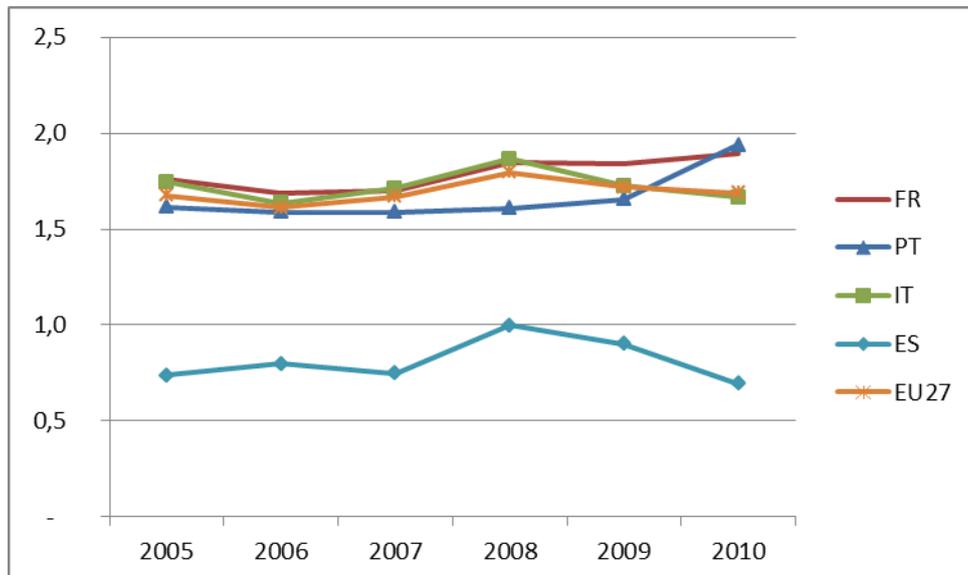
Figure 19 - Share of sales volume and sales value for PGI wine of the main MS in 2010



Source: DG AGRI and AND-International study

The average prices of PGI were more homogeneous between MS than the ones for PDOs, between 1.5 and to 2 €/l in the main MS producers. The price in Spain, which was a small PGI producer, was largely under the European average (the average price of Spanish PDO wines was also lower than the EU average).

Figure 20 - Evolution of PGI wine prices in the main MS producers and in the EU27



Source: DG AGRI and AND-International study

3.3. Exports

With a total value around €5 billion in 2010, PDO/PGI wines represented 74% of the total value of extra-EU exports of wine (€6.7 billion according to COMEXT), including 80% of PDO wines and 20% of PGI wines. This represented the exports to third countries performed from the MS of production; however re-export occurred from other MS (see point 1.3 of this chapter).

French was the leading MS in sales value, with 54% of all PDO/PGI wine exports. France and Italy alone accounted for 86% of those exports. According to COMEXT data, about half of exported PDO/PGI wines came from six areas (Bordeaux, Champagne, Toscana, Bourgoigne, La Rioja and Côtes-du-Rhône).

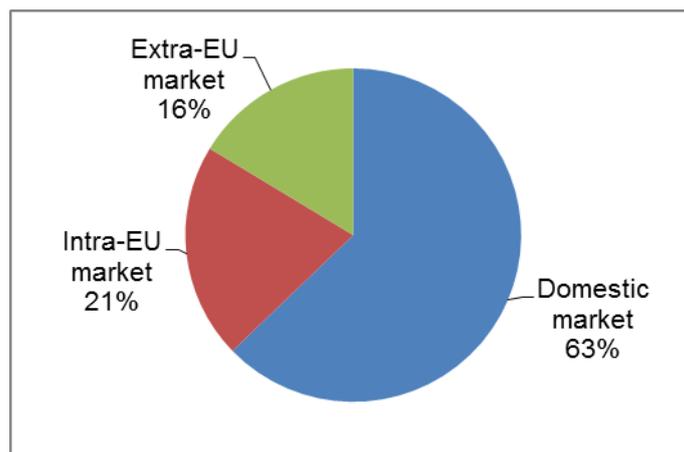
Overall, PDO/PGI wines were mostly sold in their national markets (63% of sales). But the share of extra-EU exports in the total sales value of PDO/PGI wines had increased from 14% in 2005 to 16% in 2010. The four main exporting countries had contributed to the increase: +28% in France; +19% in Italy; +20% in Spain; +51% in Germany.

Table 21: Extra-EU exports of PDO/PGI wines by MS (2005 and 2010) in M€

| | 2005 | | | 2010 | | |
|--------------|---------------|-----------------|--------------------|---------------|-----------------|--------------------|
| | Total sales | Extra-EU-market | % Extra-EU exports | Total sales | Extra-EU-market | % Extra-EU exports |
| France | 14 368 | 2 091 | 15% | 15 714 | 2 676 | 17% |
| Italy | 5 031 | 1 315 | 26% | 5 690 | 1 565 | 28% |
| Spain | 3 683 | 275 | 7% | 3 502 | 331 | 9% |
| Germany | 2 058 | 127 | 6% | 2 277 | 191 | 8% |
| Portugal | 1 040 | 124 | 12% | 1 082 | 144 | 13% |
| Austria | 563 | 13 | 2% | 734 | 18 | 2% |
| Hungary | 573 | 6 | 1% | 470 | 10 | 2% |
| Greece | 210 | 6 | 3% | 203 | 8 | 4% |
| Slovenia | 139 | 5 | 4% | 108 | 4 | 4% |
| Romania | / | / | / | 266 | 4 | 1% |
| Bulgaria | / | / | / | 94 | 3 | 4% |
| Others | 299 | 1 | 0% | 236 | 1 | 0% |
| Total | 27 963 | 3 961 | 14% | 30 376 | 4 956 | 16% |

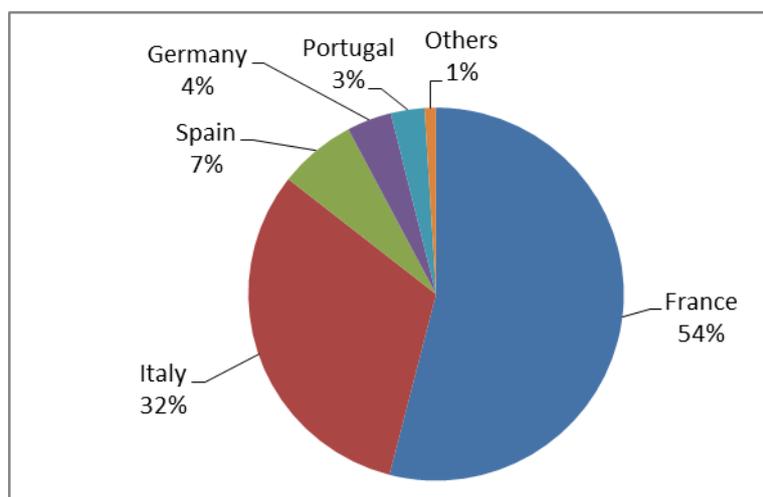
Source: AND-International survey for DG AGRI

Figure 21 - Trade of PDO/PGI wines by MS (2010)



Source: AND-International survey for DG AGRI

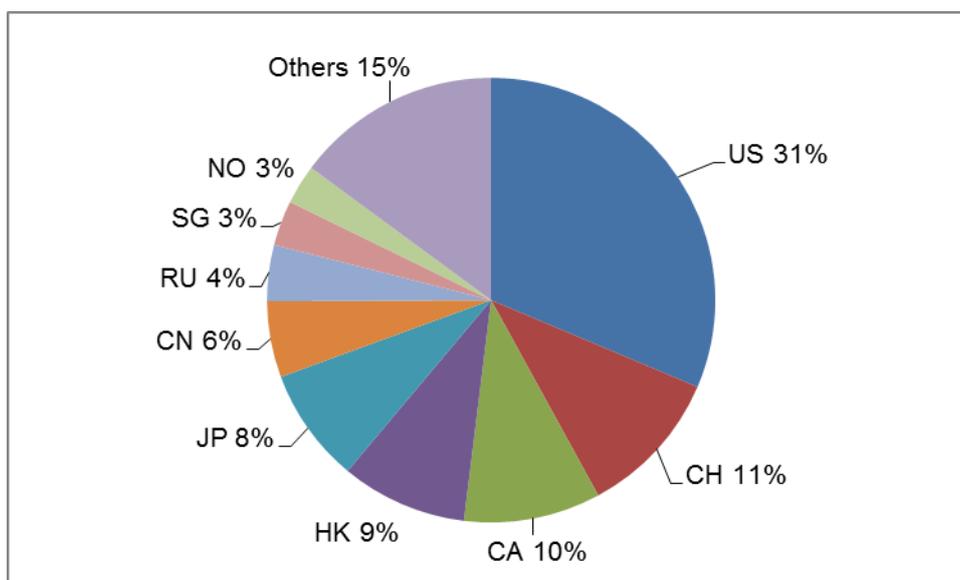
Figure 22 - Extra EU export of PDO/PGI wines by MS (2010)



Source: AND-International survey for DG AGRI

Around a third of extra-EU exports of PDO/PGI wines went to the United States. Next was Switzerland, followed by Canada, Hong-Kong and Japan.

Figure 23 - Extra EU export of PDO/PGI wines by destination (2010)



Source: AND-International survey for DG AGRI

Exports' destinations were still partly related to cultural links between Member States and their former colonies. For instance, the main Portuguese PDO wines (Port, Dao, Bairrada, Douro and Vinho Verde) represented around 13% of the PDO/PGI wines exported to Brazil from the EU (twice as much as the share of Portuguese wines in the total extra-EU trade of PDO/PGI wines), whereas French PDO wines represent over 90% of exports to Morocco.

4. Agricultural products and foodstuffs

4.1. Sales value by product category

In 2010, the total sales value of agricultural products and foodstuffs under GI was €15.8 billion.

The main sectors were cheeses (39%), meat products (20%) and beers (15%). Fresh meat and fruit and vegetables represented respectively 8% and 6% of the EU sales value.

The smallest sectors in terms of sales value (less than 1%) are: other products of animal origin, pasta, natural gums and resins, hay and essential oils.

Table 22 - Sales value of agricultural products and foodstuffs under GI in the EU 27 (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol 2005/10 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-------------|--------------|
| Cheeses | 5 276 | 5 289 | 5 489 | 5 651 | 5 778 | 6 307 | 40% | +20% |
| Meat products | 2 395 | 2 451 | 2 579 | 2 759 | 3 095 | 3 157 | 20% | +32% |
| Beers | 2 301 | 2 407 | 2 361 | 2 366 | 2 390 | 2 364 | 15% | +3% |
| Fresh meat | 1 037 | 1 011 | 1 095 | 1 116 | 1 155 | 1 244 | 8% | +20% |
| Fruit, vegetables and cereals | 771 | 764 | 901 | 864 | 849 | 978 | 6% | +23% |
| Fresh fish, molluscs, and crustaceans | s | s | s | s | s | 443 | 3% | s |
| other products of Annex I | 107 | 102 | 124 | 144 | 134 | 369 | 2% | +246% |
| Oils and fats | 359 | 377 | 335 | 348 | 343 | 346 | 2% | -4% |
| Bread, pastry, cakes... | 291 | 268 | 280 | 284 | 272 | 279 | 2% | -4% |
| Natural mineral and spring waters | 145 | 146 | 144 | 145 | 143 | 143 | 1% | -1% |
| Other products of animal origin | 48 | 45 | 47 | 49 | 68 | 71 | 0% | +49% |
| Others | 25 | 68 | 71 | 73 | 55 | 87 | 1% | +245% |
| Total | 13 284 | 13 457 | 13 891 | 14 238 | 14 525 | 15 790 | 100% | +19% |

Source: AND-International survey for DG AGRI

s: statistical confidentiality

Between 2005 and 2010, we note a global growth of the sales value of 20%:

- Two-thirds of growth was due to GIs products registered before 2005;
- One third was due to new registrations of GIs.

4.2. Volume and value by product category

4.2.1. Cheese

In 2010, the estimate of the sales value of cheeses under GI in the EU 27 was €6.3 billion and the sales volume was 866 000t. This represented 10% of the EU production, this share remained stable over the period (source: Eurostat and PRODCOM in Ireland, Luxembourg and Malta).

Table 23 – EU production of cheese and share of GI sales volume between 2005 and 2010 (t)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Evol. 2005/10 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|
| Total cheeses | 8 459 131 | 8 700 525 | 8 671 846 | 8 717 222 | 8 733 552 | 8 972 161 | 6% |
| Cheeses under GI | 853 290 | 887 524 | 869 933 | 875 242 | 850 776 | 865 614 | 1% |
| Non-GI cheeses | 7 605 842 | 7 813 000 | 7 801 913 | 7 841 980 | 7 882 775 | 8 106 547 | 7% |
| % GI | 10.1% | 10.2% | 10.0% | 10.0% | 9.7% | 9.6% | / |
| % non-GI | 89.9% | 89.8% | 90.0% | 90.0% | 90.3% | 90.4% | / |

Source: AND-International survey for DG AGRI, Eurostat, PRODCOM

Italy, France and Greece gathered 90% of GI cheeses' sales value and 88% of sales volume:

- Italy: mainly Grana Padano and Parmigiano Reggiano.
- France: Comté, Roquefort and Reblochon accounted for 38% of French GI cheeses' sales value (40% of sales volume).
- Greece: mainly Feta.

In the cheese sector, the Netherlands, Denmark, Spain, the United Kingdom, Austria and Germany accounted for 1 to 3% of sales volume and value. The smallest MS of this sector (less than 1% in terms of sales volume and value) were Ireland, Portugal, Slovakia, Sweden, Belgium and Poland.

In Italy, GI cheeses represented 38% of national production (Eurostat). This share was relatively stable over the period because the GI and non-GI sectors had been on the same trend (+3% in volume). In addition to this increase of volume, the average price of GIs grew by 14% in the period. Thus, the sales value of Italian cheeses grew by 20% between 2005 and 2010.

In France, GI cheeses represented 10% of the national cheese sector (Eurostat). This share was decreasing (down from 11% in 2005). Indeed the French cheese sector increased by 3% in the period while GI cheeses decreased by 9%. This may be explained by the fact that the main French GIs in this sector were located in mountain areas while the development of the dairy sector was in the plains. At the same time, the average price and the total sales value of GI increased, which shows a capacity to resist in a difficult context.

The Greek GI cheese sector was the most important in terms of share of its national cheese market; GIs accounted for 54% of the national cheese production in 2010. This share peaked at 70% in 2006 but decreased as the national cheese sector increased by 34% between 2005 and 2010 (Eurostat) while the GI sector remained more stable.

In Denmark, Spain and Austria – where GI sales volumes were estimated between 10 000t to 20 000t each year in each MS – GI sales accounted for 5 to 7% of the national production.

4.2.2. Meat products

The estimate of the sales value of meat products under GI in the EU 27 in 2010 was €3.2 billion; the estimate of the sales volume was 346 000t. This category consisted of cured meat (74% of sales value and 62% of sales volume) and cooked meat (26% of sales value and 38% of sales volume).

Cured meat under GI represented 6.2% of EU production (sales volume), this share increased over the period as non-GI sector decreased by 2% while GI sector increased by 13%.

Table 24 – EU sales volume of cured meat and share of GI sales volume between 2005 and 2010 (t)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | <i>Evol. 2005/10</i> |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|--------------------------|
| Total cured meat | 3 489 120 | 3 717 042 | 3 998 482 | 3 234 160 | 3 381 406 | 3 443 715 | -1% |
| Cured meat under GI | 189 743 | 190 776 | 198 610 | 211 690 | 217 123 | 213 981 | 13% |
| Non-GI cured meat | 3 299 377 | 3 526 266 | 3 799 872 | 3 022 471 | 3 164 283 | 3 229 734 | -2% |
| % GI | 5.4% | 5.1% | 5.0% | 6.5% | 6.4% | 6.2% | / |
| % non-GI | 94.6% | 94.9% | 95.0% | 93.5% | 93.6% | 93.8% | / |

Source: AND-International survey for DG AGRI, PRODCOM

Cooked meat under GI represented 1.4% of EU sales volume of this sector; this share remained stable over the period.

Table 25 – EU sales volume of cooked meat and share of GI sales volume between 2005 and 2010 (t)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | <i>Evol. 2007/10</i> |
|-----------------------------|---------|---------|---------|-----------|-----------|-----------|--------------------------|
| Total cooked meat | na | na | na | 8 645 735 | 8 948 137 | 9 149 314 | 6% |
| Cooked meat under GI | 107 257 | 116 547 | 118 337 | 124 166 | 125 741 | 132 363 | 7% |
| Non-GI cured meat | na | na | na | 8 521 568 | 8 822 396 | 9 016 951 | 6% |
| % GI | na | na | na | 1.4% | 1.4% | 1.4% | / |
| % non-GI | na | na | na | 98.6% | 98.6% | 98.6% | / |

Source: AND-International survey for DG AGRI, PRODCOM

na: not available

Italy (59% of sales value) and Germany (22% of sales value) were the main MS in this sector, the third was France (11% of sales value) and the fourth was Spain (5% of sales value). Each of the other Member States (Austria, Hungary, Belgium, Luxembourg, Portugal, the United Kingdom and Ireland) accounted for less than 1% of total EU sales value.

In Italy (87% of the sales value was cured meat), 4 of the 32 GIs registered in the meat products sector represented 87% of the sales value. In Germany (55% of cured meat and 45% of cooked meat in terms of sales value), there were 8 GIs in the meat products sector. The three first ones represented 60% of the sales value.

Share of GI sales volume in national sector (source: Prodcorn):

- In Italy, the GIs represented 26% of the national production of cured meat in 2010 (relatively stable on the period), the share of GIs in national sector was only 5% for cooked meat;
- In Germany, GIs represented 3.6% of the cured meat sector and 2.8% of the cooked meat sector;
- In France, GIs represented 3.4% of the national production of cured meat and 1.5% of cooked meat. The share of GI in cured meat sector was increasing thanks to faster development of GIs (+21%) compared to the national sector (+5%);
- In Spain, cured meat (99% of sales value in Spanish meat product sector) represented 4.4% of national production in 2010. This share was increasing (3.3% in 2005) thanks to development of the GI sector (+34%) and the relative stability of national sales (-1%);
- In Austria and Hungary, where GI meat product were limited compared to the Member States mentioned above, GI cured meats accounted for 7 to 8% of national sales.

4.2.3. Beer

In 2010, the estimate of the sales value of beers under GI in the UE27 was €2.4 billion and the sales volume was estimated at 25 Mhl, which represented 6.8% of European production in 2010 (372 Mhl, source: Eurostat). The importance of GIs in the EU sector increased on the period because of the drop of the non-GI production since 2008.

Table 26 – EU sales volume of beer and share of GI sales volume between 2005 and 2010 (Mhl)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | <i>Evol. 2005/10</i> |
|----------------------|-------|-------|-------|-------|-------|-------|--------------------------|
| Total beer | 453 | 470 | 462 | 406 | 377 | 372 | -18% |
| Beer under GI | 25 | 26 | 25 | 25 | 25 | 25 | 2% |
| Non-GI beer | 428 | 444 | 437 | 381 | 352 | 347 | -19% |
| % GI | 5.5% | 5.5% | 5.5% | 6.2% | 6.7% | 6.8% | / |
| % non-GI | 94.5% | 94.5% | 94.5% | 93.8% | 93.3% | 93.2% | / |

Source: AND-International survey for DG AGRI, Eurostat

Three Member States produced beers under GI: Germany; the Czech Republic; the United Kingdom.

With 12 beers under GI, Germany represented 95% of the sales value of this sector. The first 4 GIs gathered 91% of the value. GIs represented 27% of total beer production in Germany in 2010; this share had increased in the period (to 25% in 2005) because the national sector decreased by 9% (Eurostat) while the GI sector remained stable.

In the Czech Republic, 9 GIs were registered in the beer sector, this MS accounted for 5% of EU sales value under GI. GIs were highly concentrated, with 3 of the 9 GIs gathering 92% of the sales value. GIs accounted for 10% of the national sector in terms of sales volume (7% in 2005). This share increased because the national sector decreased by 10% while the GI sector increased by 35%. This growth is firstly due to the development of the main GIs, but also to the registration of new ones.

There were two GIs in the United Kingdom, which accounted for less than 0.1% of the EU sales value of this sector.

4.2.4. Fresh meat (and offal)

The estimate of the sales value of fresh meat under GI in the EU 27 in 2010 was €1.2 billion, and the estimate of the sales volume was 253 000t. The main sub-sectors in the fresh meat category were bovine, poultry and ovine, GIs accounted for 1.3% of the production of these three types of meat on the period 2005- 2010.

Table 27 – EU sales volume of fresh meat (bovine, poultry and ovine) and share of GI sales volume between 2005 and 2010 (1000t)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Evol. 2005/10 |
|----------------------------|--------|--------|--------|--------|--------|--------|---------------|
| Total fresh meat | 16 849 | 16 657 | 17 604 | 18 036 | 17 958 | 18 744 | 11% |
| Fresh meat under GI | 227 | 222 | 236 | 239 | 236 | 246 | 8% |
| Non-GI fresh meat | 16 622 | 16 436 | 17 368 | 17 797 | 17 722 | 18 498 | 11% |
| % GI | 1.3% | 1.3% | 1.3% | 1.3% | 1.3% | 1.3% | / |
| % non-GI | 98.7% | 98.7% | 98.7% | 98.7% | 98.7% | 98.7% | / |

Source: AND-International survey for DG AGRI, Eurostat

There were 110 GIs registered in the fresh meat sector:

- Poultry: 35 GIs
- Lamb: 31 GIs
- Bovine: 30 GIs
- Pig: 8 GIs
- Goat: 5 GIs
- Reindeer: 1 GI

Bovine was the leading GI sector with 46% of EU sales value in the fresh meat sector; bovine, poultry and lamb accounted 80% of the sales value. While most poultry sales under GI were due to French GIs, bovine and lamb sales were spread among several

MS. Nevertheless, the United Kingdom remains the leading MS in lamb and beef sectors under GI.

Table 28 - Sales value of bovines under GI by MS in 2010

| | Sales value (k€) | % total |
|--------------|------------------|-------------|
| UK | 325 823 | 57% |
| ES | 136 540 | 24% |
| FR | 58 158 | 10% |
| IT, PT | 48 196 | 8% |
| Total | 568 716 | 100% |

Source: AND-International survey for DG AGRI

Table 29 - Sales value of lamb under GI by MS in 2010

| | Sales value (k€) | % total |
|----------------|------------------|-------------|
| UK | 164 889 | 71% |
| FR | 33 922 | 15% |
| ES | 26 220 | 11% |
| IT, PT, DE, IE | 6 000 | 3% |
| Total | 231 031 | 100% |

Source: AND-International survey for DG AGRI

If we consider all kinds of meat, 95% of the sales value was concentrated in France, the United Kingdom and Spain:

- In France (43% of EU sales value with 54 GI products), the main meat category was poultry (around 80% of sales value of French fresh GI meat). This category included different kind of products:
 - A large number of PGIs which were also covered by the French scheme 'Label Rouge';
 - A part of the PGI 'Canard à foie gras du Sud-Ouest' (another part of this PGI, and notably the *foie gras*, was taken into account in meat products);
 - The PDOs 'Volailles de Bresse' and 'Dinde de Bresse' which remained on a top-of-the-range positioning with limited volumes compared to the other categories mentioned above.
- The second meat category in France was bovine (11% of sales value of French fresh GI meat); the third and fourth categories were lamb and pig representing 9% of sales value.
- In the United Kingdom (40% of EU sales value, with 8 GI products), bovine meat represented 66% of the sales value of the British fresh GI meat sector. The other category of meat concerned was lamb, which accounted for 34% of sales value. In the United Kingdom, this GI sector was highly concentrated, with 3 GIs gathering about 90% of the sales.
- In Spain (13% of EU sales value with 14 GIs), the main meat categories were bovine (84% of value) and lamb (16% of value).

In the fresh meat sector, Italy, Portugal and Germany represented between 1 and 3% of the total EU sales value. The smallest MS of this sector (less than 1% in terms of sales volume and value) were Ireland, Finland and Luxembourg.

Share of GIs sales volume in national sector (source: Eurostat):

- Bovine sector:
 - In the United Kingdom, the share of GI was 8.1% in 2010; this share had increased during the period (5.3% in 2005) thanks to a large increase of bovine exports under GI.
 - In Spain, the share of GI was 4.9% in 2010 (4% in 2005), the GI sector increased by 4% over the period while the total sector decreased by 13% (in relation to the decrease of fattening activity).
 - In France and Italy, the share of bovine under GI was under 1% in 2010. In Portugal, it reached 9.7% in 2008 but bovine production in Portugal was very limited.
- Poultry sector:
 - In France, poultry under GI represented 8.1% of the national sector. The GI sector decreased by 5.4% between 2005 and 2010 while the national sector increased by 3%. This is due to the development of the consumption of chicken cuts in which GI products are not competitive.
- Lamb sector:
 - In the United Kingdom, GI lamb represented 14.1% of the national sector in 2010. This share had increased since 2005 thanks to a development of GI (+8%) and a decrease of the national sector (-3%) due to the decoupling of European subsidies in 2005.
 - In France, the share of lamb under GI was 4.4%, this share was increasing since 2006 (3.0%) due to the development of GI and a decrease of the national sector in relation of its low profitability.
 - In Spain, the share of lamb under GI was 2.5% (1.6% in 2005). Sales under GI and total sales increased in the period (respectively +99% and +29%).
- Pig sector: in each MS, sales volume of pig under GI did not exceed 0.3% of national production.

4.2.5. Fruit, vegetables and cereals

The estimate of the sales value of fruit, vegetables and cereals under GI in the EU 27 in 2010 was €978 million, the sales volume was 922 500t. Fruit was the main category with 84% of the sales volume and 65% of the sales value.

Table 30 - Breakdown per category in fruit, vegetables and cereals category (2010)

| | Sales volume | Sales value |
|-------------------|--------------|-------------|
| Fruit | 84% | 65% |
| Vegetables | 13% | 32% |
| Cereals | 4% | 3% |
| Total | 100% | 100% |

Source: AND-International survey for DG AGRI

The main MS in this sector were Italy (34% of sales value) and France (20%). The next MS were the United Kingdom and Spain. Italy represented about half the sales value of the fruit sector, the United Kingdom accounted for more or less the same share of the vegetable sector and Spain represented 80% of the sales value of the cereal sector (rice production).

This sector was highly concentrated among a limited number of GIs, the 4 first GI at the EU level accounted for 52% of the sales value in 2010. The largest GIs were in the United Kingdom, Italy, France and Portugal.

GI products represented 1.5% of the national fruit sector in Italy in 2009 and 0.9% of the national fruit sector in France in 2008 (Eurostat).

4.2.6. Fresh fish, molluscs and crustaceans

The estimate of the sales value of fresh fish, molluscs and crustaceans under GI was €443 million in 2010 at European level; the estimate of the sales volume was 111 258t.

With 88% of the sales volume and more than 90% of the sales value, the United Kingdom and France were the main actors of this sector with a limited number of GIs. Spain, Ireland and the Czech Republic represented between 1 and 8% of the sales volume and between 1 and 5% of the sales value. The smallest Member States in relation to this sector (less than 1% each of the sales volume and value) were Germany, Greece and Italy.

4.2.7. Olive oil

The estimate of sales value of olive oils under GI in the EU 27 in 2010 was €203 million; the estimate of sales volume was 45 357t. The importance of GIs was limited in this sector, it accounted for 2% of the EU production in 2010.

Table 31 – EU sales volume of olive oil and share of GI sales volume between 2005 and 2010 (1000t)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | <i>Evol. 2005/10</i> |
|---------------------------|-------|-------|-------|-------|-------|-------|--------------------------|
| Total olive oil | 2 357 | 1 921 | 2 023 | 2 115 | 1 936 | 2 220 | -6% |
| Olive oil under GI | 41 | 46 | 39 | 46 | 47 | 45 | 11% |
| Non-GI olive oil | 2 316 | 1 876 | 1 983 | 2 069 | 1 889 | 2 175 | -6% |
| % GI | 1.7% | 2.4% | 1.9% | 2.2% | 2.4% | 2.0% | / |
| % non-GI | 98.3% | 97.6% | 98.1% | 97.8% | 97.6% | 98.0% | / |

Source: AND-International survey for DG AGRI, International Olive Council

The main MS in 2010 were:

- Italy, which represented 36% of the sales value and 23% of the sales volume, with 38 GIs. The leading two olive oils gathered around 60% of the sales volume. GI represented only 2.4% of Italian production. The weight of olive oil increased in the period 2005-2010 due to an important decrease of national production of olive oil (-51%, source: International Oil Council).
- Spain represented 34% of the sales value and 44% of the sales volume with 20 olive oils under GI. The three largest represented around half of these sales. Olive oils under GI represented 1.4% of olive oil production in Spain in 2010. This share had decreased: olive oil production grew while the volume of GIs decreased.
- Greece had 21% of the sales value and 27% of the sales volume, with 26 olive oils under GI. The two biggest ones gathered 55% of the sales volume, and there were no sales for 16 of them. GIs represented 3.8% of the national production in 2010, this share increased over the period (2.2% in 2005). This was due to an increase of GI sales volume and a decrease of national production.

There were also 7 olive oils under GI in France which gathered 6% of the EU sales value and 2% of the volume (19.1% of national production in 2010). There were 6 GIs in Portugal accounting for 3% of the sales value and for 4% of the sales volume (2.6% of national production in 2010). In Slovenia, there was only one olive oil under GI, accounting for more than 5% of national production in 2010.

4.2.8. Other agricultural products and foodstuffs: great diversity

The other products (125 GIs) belonged to the following product classes:

- Bread, pastry, cakes, confectionary, biscuits and other bakers' wares;
- Butter;
- Essential oils;
- Hay;
- Mustard paste;
- Natural gums and resins;
- Natural mineral waters and spring waters;
- Other products of animal origin (eggs, honey, various dairy products except butter, etc.);
- Other products of the Annex I of the Treaty (spices, etc.);
- Pasta.

It was estimated that this group of GIs represented €1.1 billion in 2010 (7% of EU sales value under GI in agricultural products and foodstuffs scheme). Most of the sales in these categories were due to GIs registered in Germany, Italy and France, which gathered almost 80% of the sales value.

The main products were: German biscuits and mineral waters, Italian vinegars and French butter, pasta and ciders.

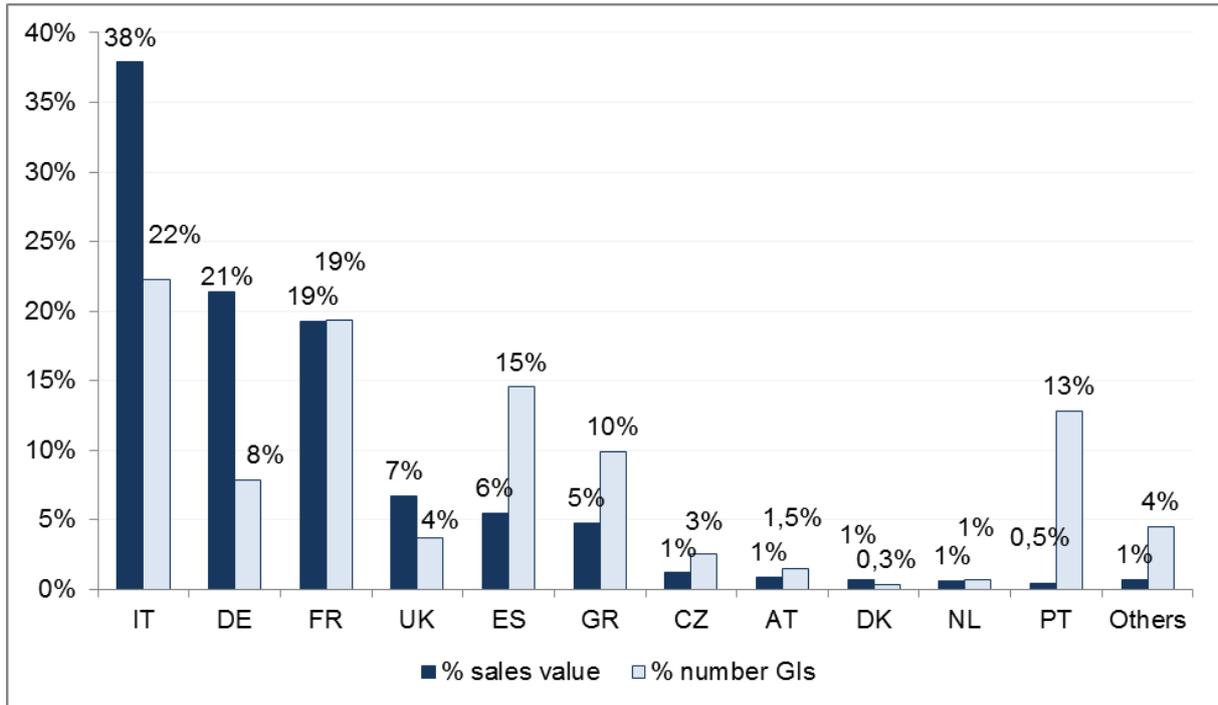
Spain, the Czech Republic, the United Kingdom, Greece and Sweden each represented less than 9% of the sales value of this category. Poland, Belgium, Portugal, Cyprus, Finland, Slovakia and Austria each accounted for less than 1% of the sales value.

4.3. Sales value by Member State

The total sales value of the agricultural products and foodstuffs under GI was estimated at €15.8 billion. Italy, Germany and France gathered 79% of the sales value.

The first two MS gathered 59% of the sales value and only 30% of the GIs while Spain, Greece and Portugal gathered only 11% of sales value for 27% of the GIs.

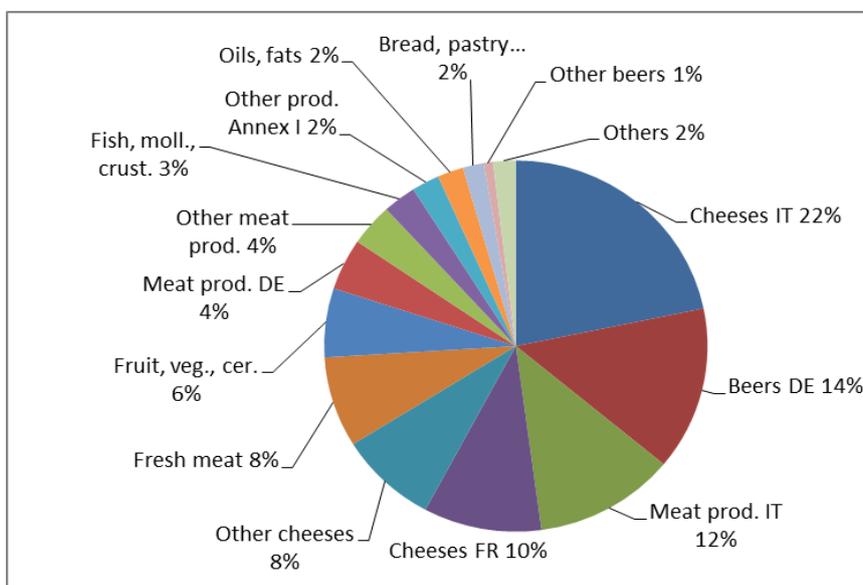
Figure 24 – Share of the sales value under GI and the number GIs in agricultural products and foodstuffs scheme by MS (2010)



Source: AND-International survey for DG AGRI

In 2010 more than the half of EU sales value (58%) was accounted for by Italian cheeses, Italian meat products, German beers and French cheeses. At the European level, Italian cheeses under GI (36 GIs) accounted for 22% of the total sales value in agricultural products and foodstuffs scheme; it reached 35% including Italian meat products (32 GIs). The second sector was German beers, which represented 14% of the EU sales value in agricultural products and foodstuffs scheme in 2010 with 12 GIs only.

Figure 25 – Main national sectors (2010)



Source: AND-International survey for DG AGRI

4.4. Exports

With a total sales value around €1 billion in 2010, PDO/PGI agricultural products and foodstuffs represented about 2% of the total value of extra-EU food exports (€57 billion according to COMEXT), including 63% of PDOs and 37% of PGIs.

Italian products represented by far the largest share of extra-EU exports (62%). The first five designations (3 PDOs and 2 PGIs) represented 55% of all extra-EU exports (Grana Padano, Parmigiano Reggiano, Aceto Balsamico di Modena, Prosciutto di Parma, Scottish Farmed Salmon).

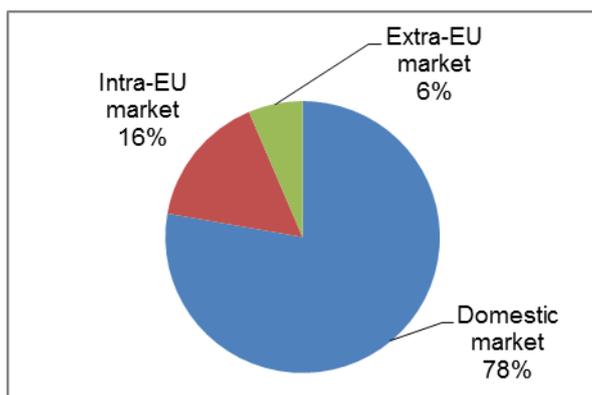
To an even greater extent than wine, PDO/PGI agricultural products and foodstuffs were mainly sold to their national markets (78% of sales). However, the share of extra-EU exports in the total sales value had increased between 2005 and 2010, from 4% to 6%. This increasing trend was true for all the main exporting countries, with increases of +97% in Italy, +45% in Germany and +51% in Spain. Exports were concentrated on a few products, cheeses, vinegar and cured ham in Italy, beers in Germany and the Czech Republic, salmon in the United Kingdom, cheese in Spain.

Table 32: Extra-EU exports of GI in agricultural products and foodstuffs scheme by MS (2005 and 2010) in M€

| | 2005 | | | 2010 | | |
|----------------|---------------|-----------------|--------------------|---------------|-----------------|--------------------|
| | Total sales | Extra-EU market | % Extra-EU exports | Total sales | Extra-EU market | % Extra-EU exports |
| Italy | 4 735 | 320 | 7% | 5 982 | 629 | 11% |
| Germany | 3 029 | 66 | 2% | 3 375 | 96 | 3% |
| United Kingdom | 1 134 | 60 | 5% | 1 059 | 91 | 9% |
| Spain | 796 | 29 | 4% | 869 | 50 | 6% |
| Czech Republic | 72 | 6 | 8% | 187 | 41 | 22% |
| Greece | 610 | 31 | 5% | 753 | 40 | 5% |
| France | 2 416 | 23 | 1% | 3 045 | 21 | 1% |
| Denmark | 99 | 15 | 15% | 106 | 16 | 15% |
| Austria | 112 | 8 | 7% | 139 | 10 | 7% |
| Portugal | 59 | 9 | 15% | 73 | 10 | 14% |
| Others | 223 | 3 | 1% | 202 | 2 | 1% |
| Total | 13 284 | 570 | 4% | 15 790 | 1 007 | 6% |

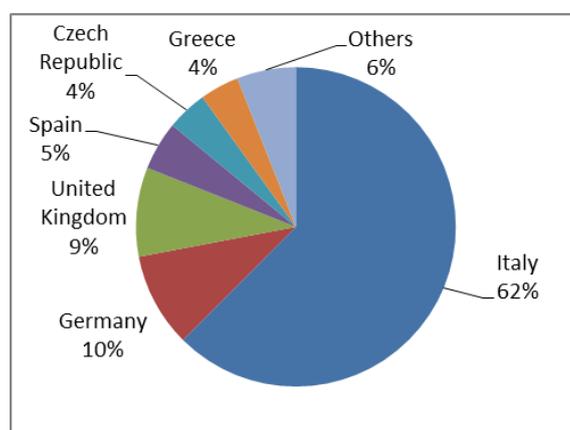
Source: AND-International survey for DG AGRI

Figure 26 – Extra-EU exports of GI in agricultural products and foodstuffs scheme by destination (2010)



Source: AND-International survey for DG AGRI

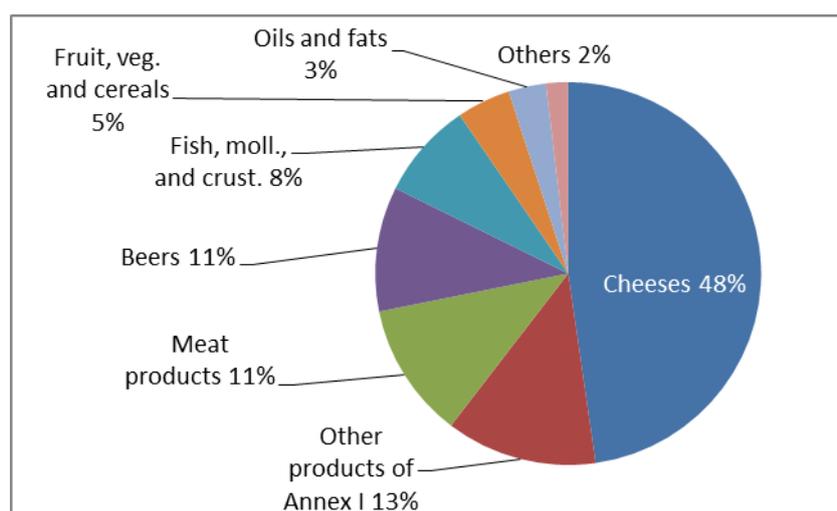
Figure 27 - Extra-EU exports of GI in agricultural products and foodstuffs scheme by MS (2010)



Source: AND-International survey for DG AGRI

Cheeses represented almost half of the total sales value of agricultural products exported to third countries. Other products of Annex I covered very different types of products, but among them, hay was the most exported. Exported meat products were mainly cured ham.

Figure 28 – Extra-EU export by class in the agricultural and food scheme (2010)



Source: AND-International survey for DG AGRI

Almost half of extra-EU exports of PDO/PGI agricultural products and foodstuffs went to the United States (€480 million). Next came Switzerland (€114 million), Canada (€65 million), and Japan (€42 million).

5. Spirits

5.1. Total sales

The estimate of the GI sales in spirit sector was €8.3 billion and 5.2 MHLPA. GIs represented about 30% of the EU spirits sales volume over the period (source: Eurostat). GI sector increased by 2.8% between 2005 and 2010 while non-GI sector decreased by 1.3%, in terms of sales volume.

Table 33 – EU sales volume of spirit drinks and share of GI between 2005 and 2010 (1000 HLPA)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | <i>Evol. 2005/10</i> |
|-------------------------|--------|--------|--------|--------|--------|--------|--------------------------|
| Total spirits | 17 203 | 18 428 | 18 309 | 18 014 | 16 437 | 17 187 | -0.1% |
| Spirits under GI | 5 083 | 5 308 | 5 570 | 5 381 | 5 387 | 5 225 | 2.8% |
| Non-GI spirits | 12 120 | 13 120 | 12 738 | 12 634 | 11 050 | 11 962 | -1.3% |
| % GI | 29.5% | 28.8% | 30.4% | 29.9% | 32.8% | 30.4% | / |
| % non-GI | 70.5% | 71.2% | 69.6% | 70.1% | 67.2% | 69.6% | / |

Source: AND-International survey for DG AGRI and Eurostat

The most important MS in terms of sales value were the United Kingdom and France (79% of total sales) followed by Ireland, Poland, Spain, Portugal, Italy, Greece and Germany. Other MS represented less than 3% of EU sales under GI.

Whiskies and wine spirits gathered 73.3% of GI sales volume and 80.3% of GI sales value, notably due to a limited number of GIs: Scotch Whisky, Cognac and to a lesser extent Irish Whisky and Armagnac.

The following categories were liqueurs (mainly Irish Cream), Vodka (mainly Polish vodka), Brandy (mainly Brandy de Jerez and Brandy del Penedés), grape marc spirit (mainly Grappa), distilled anis (mainly Ouzo), Rum (mainly GIs from French outermost regions).

The sales value increased by 14% between 2005 and 2010. This growth is due to extra-EU trade, while the sales value on domestic and EU markets increased by 2%, the sales value on extra-EU markets increased by 25%.

While whiskies and wine spirits met a large growth between 2005 and 2010 (+20.6%), the other categories of GIs decreased (-7.8%). Global players in spirit industry were involved in those two first categories of GIs and developed, in addition to the GI labelling, trademarks with large promotion investments.

No sales had been identified for about 12% of the GIs registered.

Table 34 - Sales volume by category of spirits under GI in the EU between 2005 and 2010 (1000 HLPa)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Whisky/Whiskey | 3 134 | 3 296 | 3 553 | 3 428 | 3 419 | 3 382 | 64.7% | 7.9% |
| Wine spirit | 411 | 441 | 465 | 439 | 382 | 448 | 8.6% | 8.8% |
| Sub-total 1 | 3 545 | 3 737 | 4 018 | 3 867 | 3 801 | 3 830 | 73.3% | 8.0% |
| Vodka | 387 | 399 | 320 | 282 | 345 | 335 | 6.4% | -13.5% |
| Liqueur | 205 | 226 | 251 | 249 | 279 | 174 | 3.3% | -14.8% |
| Brandy/Weinbrand | 218 | 227 | 238 | 247 | 211 | 194 | 3.7% | -11.1% |
| Rum | 122 | 123 | 133 | 140 | 143 | 150 | 2.9% | 23.0% |
| Distilled anis | 108 | 137 | 134 | 120 | 178 | 140 | 2.7% | 30.3% |
| Grape marc spirit | 143 | 143 | 159 | 145 | 117 | 109 | 2.1% | -23.9% |
| Juniper flav. spirit drinks | 75 | 67 | 71 | 76 | 73 | 69 | 1.3% | -8.1% |
| Cider and perry spirits | 22 | 21 | 21 | 20 | 19 | 20 | 0.4% | -6.1% |
| Fruit spirit | 13 | 17 | 12 | 13 | 12 | 15 | 0.3% | 17.8% |
| Anis.-flav. spirit drinks | 13 | 13 | 13 | 13 | 12 | 12 | 0.2% | -3.4% |
| Bitter | 6 | 4 | 6 | 6 | 6 | 5 | 0.1% | -14.6% |
| Others ¹ | 229 | 194 | 194 | 203 | 192 | 172 | 3.3% | -24.7% |
| Sub-total 2 | 1 538 | 1 571 | 1 553 | 1 514 | 1 586 | 1 395 | 26.7% | -9.3% |
| Total | 5 083 | 5 308 | 5 570 | 5 381 | 5 387 | 5 225 | 100.0% | 2.8% |

Source: AND-International survey for DG AGRI

1 : Includes: akvavit, crème de cassis, gentian, geist, grain spirit, nocino, other spirit drinks, grain spirit

Table 35 - Sales value by category of spirits under GI in the EU between 2005 and 2010 (M€)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | % 2010 | Evol. 2005/10 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Whisky/Whiskey | 4 003 | 4 180 | 4 666 | 4 428 | 4 047 | 4 622 | 56.7% | 15.4% |
| Wine spirit | 1 423 | 1 571 | 1 684 | 1 690 | 1 487 | 1 922 | 23.6% | 35.1% |
| Sub-total 1 | 5 426 | 5 751 | 6 350 | 6 118 | 5 533 | 6 543 | 80.3% | 20.6% |
| Vodka | 414 | 431 | 301 | 295 | 360 | 362 | 4.4% | -12.6% |
| Brandy/Weinbrand | 172 | 175 | 160 | 188 | 171 | 161 | 2.0% | -6.2% |
| Grape marc spirit | 137 | 145 | 158 | 147 | 122 | 117 | 1.4% | -14.5% |
| Distilled anis | 54 | 69 | 67 | 60 | 89 | 70 | 0.9% | 29.6% |
| Rum | 55 | 55 | 58 | 60 | 61 | 68 | 0.8% | 23.2% |
| Juniper flav. spirit drinks | 49 | 47 | 52 | 62 | 58 | 56 | 0.7% | 15.9% |
| Cider and perry spirits | 54 | 53 | 55 | 52 | 49 | 54 | 0.7% | -0.9% |
| Anis.-flav. spirit drinks | 20 | 23 | 24 | 24 | 23 | 24 | 0.3% | 19.1% |
| Fruit spirit | 18 | 18 | 20 | 20 | 25 | 24 | 0.3% | 33.0% |
| Bitter | 4 | 3 | 5 | 6 | 5 | 5 | 0.1% | 10.4% |
| Others ¹ | 764 | 785 | 851 | 760 | 629 | 663 | 8.1% | -13.1% |
| Sub-total 2 | 1 741 | 1 804 | 1 752 | 1 674 | 1 593 | 1 605 | 19.7% | -7.8% |
| Total | 7 168 | 7 555 | 8 101 | 7 793 | 7 126 | 8 149 | 100.0% | 13.7% |

Source: AND-International survey for DG AGRI

1: Includes: akvavit, crème de cassis, gentian, geist, grain spirit, liqueur, nocino, grain spirit, other spirit drinks

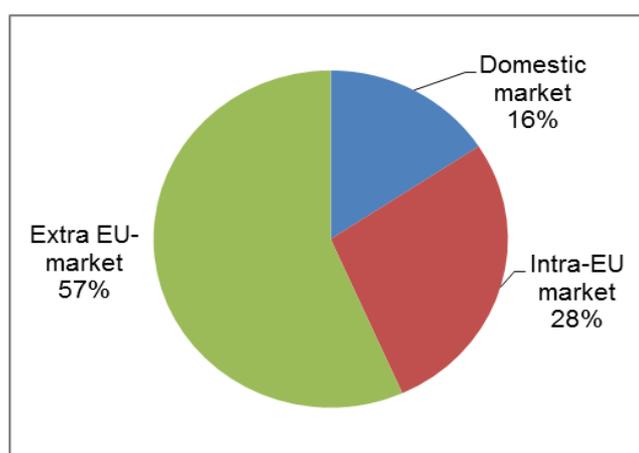
5.2. Exports

With a total value of €4.6 billion in 2010, GI spirits represented about 64% of the total value of extra-EU spirit exports (€7 billion according to COMEXT). However, only two designations contributed significantly to extra-EU exports, Scotch Whisky and Cognac. Together, they represented 98% of total GI spirits exported.

The extra EU sales increased by 25% between 2005 and 2010, this growth was mainly due to the growth of wine spirit (+42%) and whisky (+19%); the export in the other categories grew by 12% (mainly due to liqueurs).

Unlike wines and agricultural food products, third countries represented the main market for GI spirits, with 56% of the total sales value. But again this was only due to the Scotch Whisky and Cognac.

Figure 29 - Trade of GI in spirits scheme by destination (2010)



Source: AND-International survey for DG AGRI

The main MS involved in extra-EU exports were the United Kingdom and France, The rate of export on extra-EU markets was also high in Ireland (56%).

Table 36: Extra-EU exports of GI in spirits scheme by MS (2005 and 2010) in M€

| | Total sales | Extra-EU-market | % Extra-EU exports | Total sales | Extra-EU-market | % Extra-EU exports |
|-----------------------|--------------|-----------------|--------------------|--------------|-----------------|--------------------|
| United Kingdom | 3 889 | 2 202 | 57% | 4 434 | 2 566 | 58% |
| France | 1 590 | 1 084 | 68% | 2 094 | 1 535 | 73% |
| Ireland | 585 | 221 | 38% | 578 | 323 | 56% |
| Spain | 239 | 62 | 26% | 207 | 74 | 36% |
| Italy | 150 | 10 | 7% | 134 | 12 | 9% |
| Greece | 69 | 3 | 4% | 102 | 4 | 4% |
| Others | 646 | 112 | 17% | 599 | 101 | 17% |
| Total | 7 168 | 3 694 | 52% | 8 149 | 4 614 | 57% |

Source: AND-International survey for DG AGRI

About a quarter of extra-EU exports of GI spirits went to the United States (€1.1 billion). Next MS were China (€350 million) and Russia (€239 million).

6. Aromatised wines

There are four names registered as GIs in the aromatised wines scheme: Nürnberger Glühwein (Germany), Thüringer Glühwein (Germany), Vermouth de Chambéry (France) and Vermouth di Torino (Italy). The information available on these GIs was limited. Thus, a large part of data in this sector has been estimated. Furthermore, due to the limited number of GIs, no detailed data per MS can be provided because of confidentiality matters.

The estimate of the sales value of these GIs was €31 million, which represented 0.06% of the total sales of the GI products. The average sales value per GI was €7.8 million which was higher than the median size of GIs from all schemes. Exports on extra-EU markets were estimated at €4 million, which represented 13% of the sales value of these GIs.

The limited sales under GIs did not reflect the importance of aromatised wine sector in the EU, notably the vermouth production in Italy. Indeed, producers' marketing strategy relied more on trade mark than on GI.

Chapter 3 - Value premium for GI products

1. Methodology: comparison with similar product without GI

These analyses aimed to estimate the whole value premium and value premium rate of GI supply chains compared to non-GI supply chains. This was based on prices comparison, in each MS, between GI products and similar products without GI (also called standard products). In order to take into account the weight of the different sectors and MS, the value premium and the value premium rate had been calculated taking into account the volume sold.

Method of calculation:

- Value premium = $\sum (\text{GI volume} \times \text{GI price}) - \sum (\text{GI volume} \times \text{non GI price})$
- Value premium rate = $\sum (\text{GI volume} \times \text{GI price}) / \sum (\text{GI volume} \times \text{non GI price})$

This analysis was based on 2010 data. The prices were taken into account at the regional wholesale stage (ex-factory/ex-winery).

For GI products, prices were calculated thanks to the data collected during the survey. For wine and spirits, it took into account the bottle price (price on national market in this survey).

The prices for standard products were based on public statistics at European or national levels. Prices quotes exist for unprocessed products (fruit and vegetables especially) and products with high economic value like wine or specific spirits:

- European level: CIRCA, Eurostat, Prodcom, COMEXT;
- National level: ISMEA (IT), DEFRA (UK), FranceAgriMer (FR), Observatorio de Precios de los Alimentos (ES), Réseau des Nouvelles des Marchés (FR).

For agricultural products and foodstuffs, a non-GI price has been sought for each kind of product (cured ham, hard cheese, apple etc.). In the wine sector, only one reference of non-GI wine was estimated in each MS. In the spirit sector, we used the 7 PRODCOM spirits classes: whisky; vodka; gin and geneva; rum; spirits distilled from fruits; spirits obtained from distilled grape wine; other spirits.

When a reference for standard prices was not available, we estimated the value premium on the base of the difference of price (between a GI product and a non-GI product) for comparable GI product in the MS or in a neighbouring MS.

Value premium does not reflect value added and profitability of the GI schemes because it does not take into account the economic impacts of compliance with GI specifications. For instance, if prices of GI products are higher than non-GI products, producers involved in GI schemes also have additional costs and foregone earnings; for instance: limited yields in wine production, specific and less productive species or varieties at agricultural stage, longer ripening in cheese production, longer curing for meat products and so on.

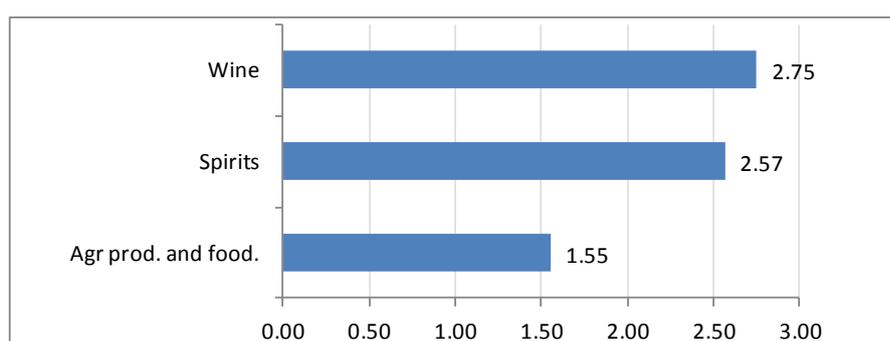
2. Value premium rate in the EU 27

2.1. Value premium by scheme

The whole value premium rate in the EU 27 for GI products was estimated at 2.23, which means that GI products were sold 2.23 times as high as the same quantity of non-GI products. Behind that average, there was a variety of situations.

A comparison of the average value premium rates between schemes shows that GI wines and spirits received far higher prices than their related standard products, whereas agricultural products and foodstuff recorded a far lower rate.

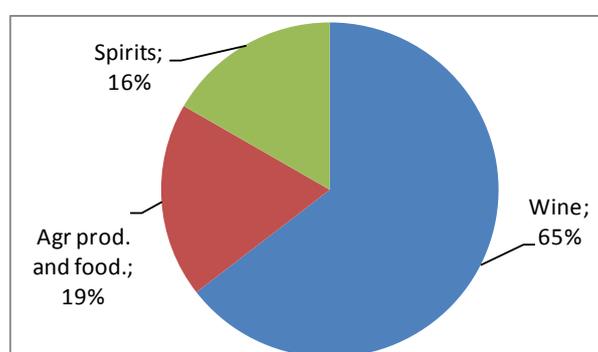
Figure 30 - Value premium rate in the EU27 by scheme



Source: AND-International survey for DG AGRI

The total value premium of EU27 GIs was estimated at €29.8 billion. Wines contributed 65% (€19.3 billion); agricultural products and foodstuffs 19% (€5.6 billion) and spirits 16% (€4.9 billion). The importance of wines in the value premium was due to its importance in terms of sales value and to its high value premium rate.

Figure 31 - Share of the value premium by sector



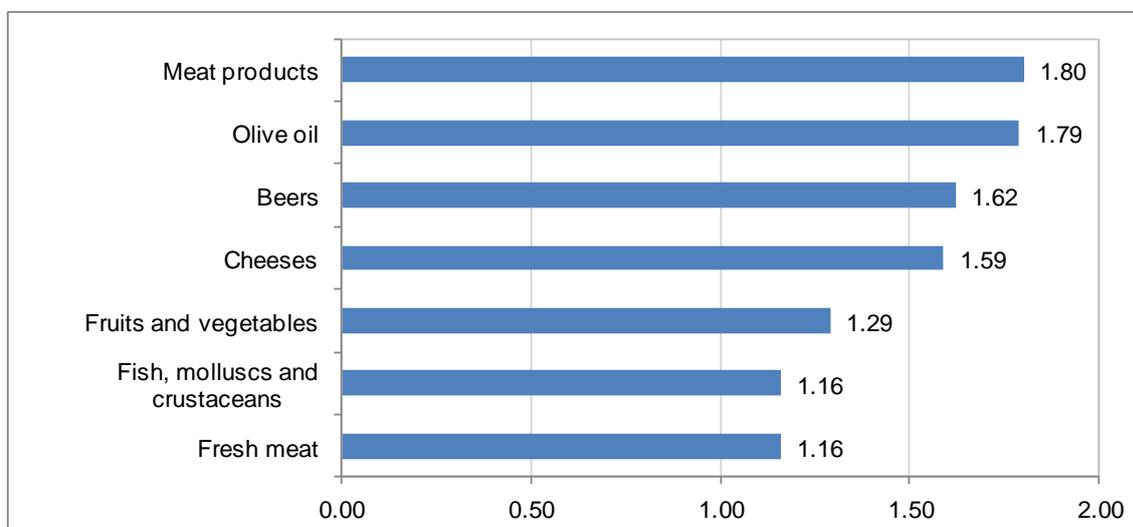
Source: AND-International survey for DG AGRI

In the next pages we shall present the great diversity of situations, according to schemes and to Member States.

2.2. Value premium rates by class of agricultural products and foodstuffs

In the agricultural products and foodstuffs scheme, the value premium rates of the main classes (accounting for 92% of total sales value⁶) were as showed in the chart below.

Figure 32 - Value premium rate for agricultural products and foodstuffs scheme



Source: AND-International survey for DG AGRI

Obviously the value premium rate was higher for the processed and elaborated products than for the raw and fresh ones. Indeed they generated more significant sales as well. The higher value premium rate was explained by the fact that the processing specification creates further differences in the product (presentation, taste, etc.) and extra costs too.

Elaborated products

- The highest average value premium rate (1.80) went to meat products, whose sales value accounted for 20% of the sales in agricultural products and foodstuffs scheme.
- The average rate for olive oil was very close. As olive oil was issued from a single processing, this rate was atypical, but, meanwhile, GI sales volume was marginal in the olive oil market (GI only accounted for 2% of the EU olive oil production in 2010).
- Brewing contributed 15% to the agricultural products and foodstuffs sales value under GI at EU level and recorded a value premium rate of 1.62.
- Cheese was the most important sector in terms of EU sales value (40% of agricultural and foodstuffs scheme sales value) for a value premium rate of 1.59.

⁶ The other products classes (bread, pastry; oils and fats; fresh fish; pasta; natural mineral waters and spring waters; other products of animal origin; hay; natural gums and resins; essential oils; mustard paste; and other products of Annex I of the Treaty) accounted for 8% of EU sales value.

Fresh products

Fruit, vegetables and cereals had an average value premium rate of 1.29 and a small contribution to the EU total sales value (6%). Individual rates varied widely, as situations (sizes, type of protection) are very heterogeneous (with a small number of very large GIs and a great number of very small cases).

The fresh meat sector contributed 8% of the EU sales value of GI in agricultural products and foodstuffs scheme, for a value premium rate of 1.16. This rate seemed rather low, but, as meat prices were high, compared to fruit, vegetables, bread and even beer or wine prices, a 16% difference was rather significant.

The sea products sector had the same value premium (1.16) rate for a smaller share in the EU27 total sales value in the agricultural products and foodstuffs scheme (3%). This case looked, to a certain extent, analogous to that of meat products.

Table 37 - Value premium rate of product classes of minor importance in the EU sales value

| Product classes | Value premium rate |
|---|--------------------|
| Pasta | 2.96 |
| Bread, pastry, cakes, confectionary, biscuits and other baker's wares | 2.54 |
| Other products of animal origin | 1.85 |
| Other products of Annex I of the Treaty (spices etc.) | 1.51 |
| Mustard Paste | 1.49 |
| Hay | 1.47 |
| Oils and fats (butter, margarine, etc.) | 1.43 |
| Natural mineral waters and spring waters | 1.38 |
| Natural gums and resins | 1.29 |

Source: AND-International survey for DG AGRI

The value premium rates of the products of minor importance were very heterogeneous (from 1.29 to 2.96). We noticed, once again, that these rates were higher for elaborated products and lower for raw materials.

In the following paragraphs, we compared the value premium rates, by sector and member states.

2.2.1. Cheese: 40% of the EU 27 GI foodstuffs sales value; value premium rate of 1.59

GIs in Italy, France and Greece accounted for 90% of the EU sales value in cheese sector.

Italian cheeses ranked first in terms of sales value under GI (54% of EU sales for cheeses). The value premium rate of Italian GI cheeses was 1.74. Most of the GI cheese was hard cow cheese with a sales premium rate of 2.01. The average GI price was 7.63 €/kg and the average non-GI price was 4.35 €/kg (source ISMEA).

GIs in France ranked second in terms of sales value under GI in cheese sector (25% of EU sales for cheeses under GI). The value premium rate of French GI cheeses was 1.55. Most of the French GI cheeses were hard cow cheese (55% of sales value) with a value premium rate of 1.40. Goat cheeses had a higher value premium rate (2.75 for hard goat cheeses and 3.28 for the soft goat cheeses). The average non-GI price of French cheese was 5.07 €/kg (source: CNIEL) while the average price of GI cheese was 7.87 €/kg.

Greece accounted for 11% in the total sales value of cheeses under GI. The value premium rate of Greek cheese was 1.32. The average non-GI price (source: Greek agriculture Ministry and COMEXT) was higher than the Italian and French ones; but the average GI price was lower.

2.2.2. Meat products: 20% of the EU 27 sales value; value premium rate of 1.80

GIs in Italy, Germany and France accounted for 92% of the total sales value of meat products under GI. The main family of products concerned was pork ham (65% of the total sales value of meat products with a value premium rate of 2.23). The main source used for the standard prices was PRODCOM.

Italy was the leading MS in terms of sales value for meat products under GI (59%). The value premium rate of Italian meat products was 1.85. The average standard price of Italian meat products was 5.57 €/kg (PRODCOM) while the average price of GI meat products was 9.71 €/kg.

In Germany, meat products under GI represented 22% of the EU sales value of this product category. The main product ranges were pork ham and other pork preparations (Würste). The value premium rate of German meat products was 1.64. The average standard price of German meat products is 4.00 €/kg (PRODCOM) while the average price of GI meat products was 6.42 €/kg.

Due to the size of its sales, the French 'canard à foie gras du Sud Ouest' represented 11% of the value premium of the EU meat products sector. This GI is complex as all cuts are sold under GI, the core product is cooked foie gras, but other cuts are elaborated: '*manchons*' (sleeves), '*gesiers*' (gizzards) and sold with a lower price; furthermore legs, wings and filets ('*magrets*') are sold, under PGI, as fresh meat.

2.2.3. Beer: 15% of the EU 27 total sales value; value premium rate of 1.62

Germany was the main MS producing beers under GI (95% of the total sales value of beers). The value premium rate of German beers was 1.65. The average standard price of German beer was 0.57 €/l (source: PRODCOM) while the average price of GI German beer was 0.95 €/kg.

The highest value premium rate is in the United Kingdom (2.70) but sales volumes are very limited (less than 1% of the EU sales volume of beers under GI).

2.2.4. Fresh meat: 8% of the total sales value; value premium rate of 1.16

GIs in France and in the United Kingdom accounted for 83% of the total sales value of fresh meat under GI.

France was the leading MS in terms of sales value of fresh meat under GI (43%). The value premium rate of French fresh meat was 1.28. Poultry was the main family product (80% of the sales value). The average standard price of French fresh poultry was 3.57€/kg (source: ITAVI) while the average price of French fresh poultry under GI was 4.44€/kg. Bovine contributed 8% of the sales value of fresh meat under GI with an average standard price of 4.31 €/kg (source: FranceAgriMer) and an average price of bovine meats under GI of 6.81 €/kg.

British fresh meats under GI represented 40% of the total sales value of the EU fresh meat sales value under GI. This was mainly beef meat and secondarily lamb meat. The value premium rate of British fresh meat was 1.04. The average standard price of the fresh bovine meat from the UK was higher than the French one (5.67 €/kg; source: CIRCA) but the price of bovines fresh meats under GI was also higher in the UK than in France.

For the lamb meat under GI, the situation was different: standard prices (5.81€/kg in France and 4.56€/kg in the United Kingdom – source: CIRCA) and GI prices were higher in France than in the United Kingdom.

Table 38 - Value premium rates in the fresh meat sector

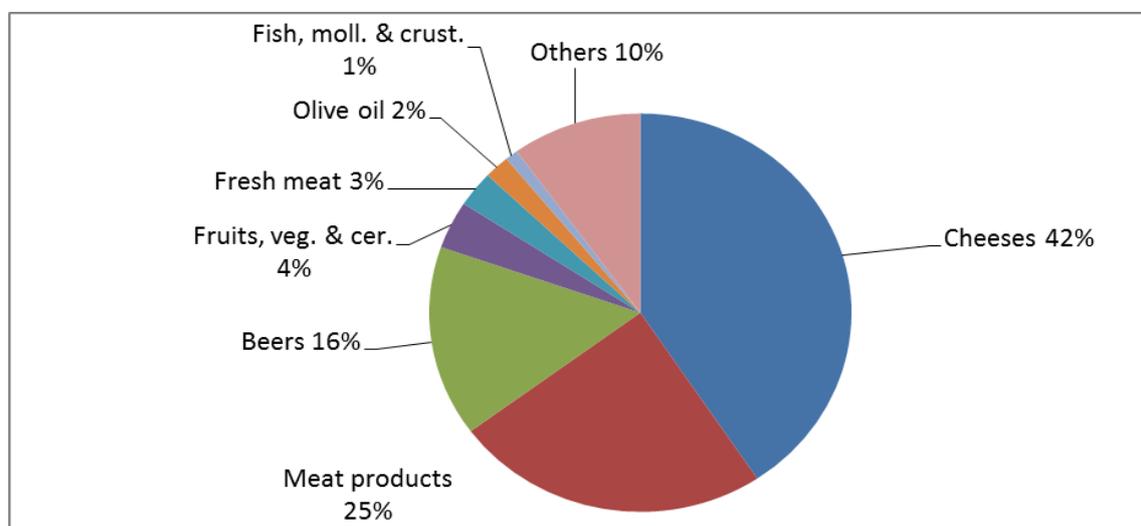
| | | Value premium rate |
|-----------------------|----------------|---------------------------|
| France | Poultry | 1.24 |
| | Bovines | 1.58 |
| | Lambs | 1.28 |
| | Pigs | 1.36 |
| United Kingdom | Bovines | 1.05 |
| | Lambs | 1.00 |

Source: AND-International survey for DG AGRI

2.2.5. Distribution of the value premium in the EU 27 for agricultural products and foodstuffs

In the total value premium of agricultural products and foodstuffs (€5.6 billion), the main sectors were cheese (€2.3 billion; 42%); meat products (€1.4 billion; 25%) and beer (€902 million; 16%).

Figure 33 - Breakdown of the value premium per category in agricultural products and foodstuffs scheme



Source: AND-International survey for DG AGRI

Spanish meat products had the most important value premium rate (2.17) but only accounted for 1.1% in the EU sales value in the agricultural products and foodstuffs scheme.

The Italian meat products sector ranked second in terms of value premium rate (1.85) and third for its share in the EU sales value in the agricultural products and foodstuffs scheme (11.9%).

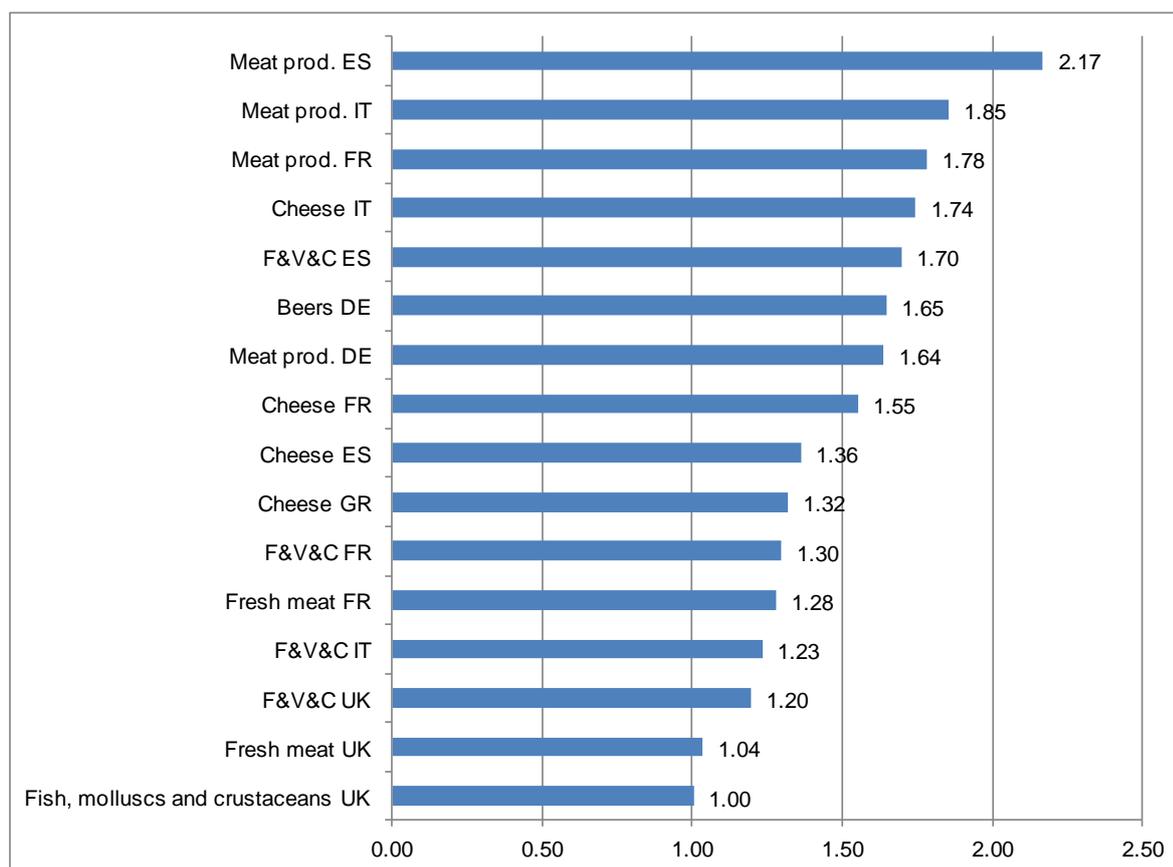
The Italian cheese sector ranked fourth in terms of value premium rate (1.74) and first in terms of share in the EU sales value in the agricultural products and foodstuffs scheme (21.7%).

The German beer sector ranked seventh in terms of value premium rate (1.65) but second in terms of share in the EU sales value in the agricultural products and foodstuffs scheme (14.2%).

The French cheese sector ranked ninth in terms of value premium rate (1.55) and fourth in terms of share in the EU sales value in the agricultural products and foodstuffs scheme (10.0%).

British GI products (mainly meat, fish and vegetables) showed a low value premium rate.

Figure 34 - Value premium rate of GI's products per category and Member State



Source: AND-International survey for DG AGRI

Note: F&V&C: Fruit, vegetables and cereals

Table 39 - Share of the GIs' sales value in the main sectors/MS

| | Share in the EU sales value under GI for agricultural products and foodstuffs scheme |
|-----------------------------------|--|
| Cheese IT | 21.7% |
| Beers DE | 14.2% |
| Meat prod. IT | 11.9% |
| Cheese FR | 10.0% |
| Meat prod. DE | 4.5% |
| Cheese GR | 4.2% |
| Fresh meat FR | 3.3% |
| Fresh meat UK | 3.1% |
| Meat prod. FR | 2.3% |
| F&V&C IT | 2.0% |
| Fish, molluscs and crustaceans UK | 1.9% |
| F&V&C FR | 1.2% |
| Cheese ES | 1.2% |
| Meat prod. ES | 1.1% |
| F&V&C UK | 1.0% |
| F&V&C ES | 1.0% |
| Others | 15.3% |
| Total | 100.0% |

Source: AND-International survey for DG AGRI

2.3. Value premium by Member State in the wines scheme

GIs in France, Italy and Spain represented 82% of the EU sales value in the wine scheme. GIs in Germany, Portugal, Austria and Hungary another 15% and the GIs in the other MS accounted for the 3% left.

French GIs were leading in terms of sales value (51.6%) and ranked second in terms of value premium rate (3.40). The average price of French wines under GI was the highest among the large wine producers.

Italian GIs ranked second in terms of sales value (18.9%) and sixth in terms of value premium rate (2.35).

Spanish GIs ranked third in terms of sales value in the wine scheme (11.5%) but first in terms of value premium rate (4.06). However, prices of standard wine and wines under GI were lower than in France and Italy.

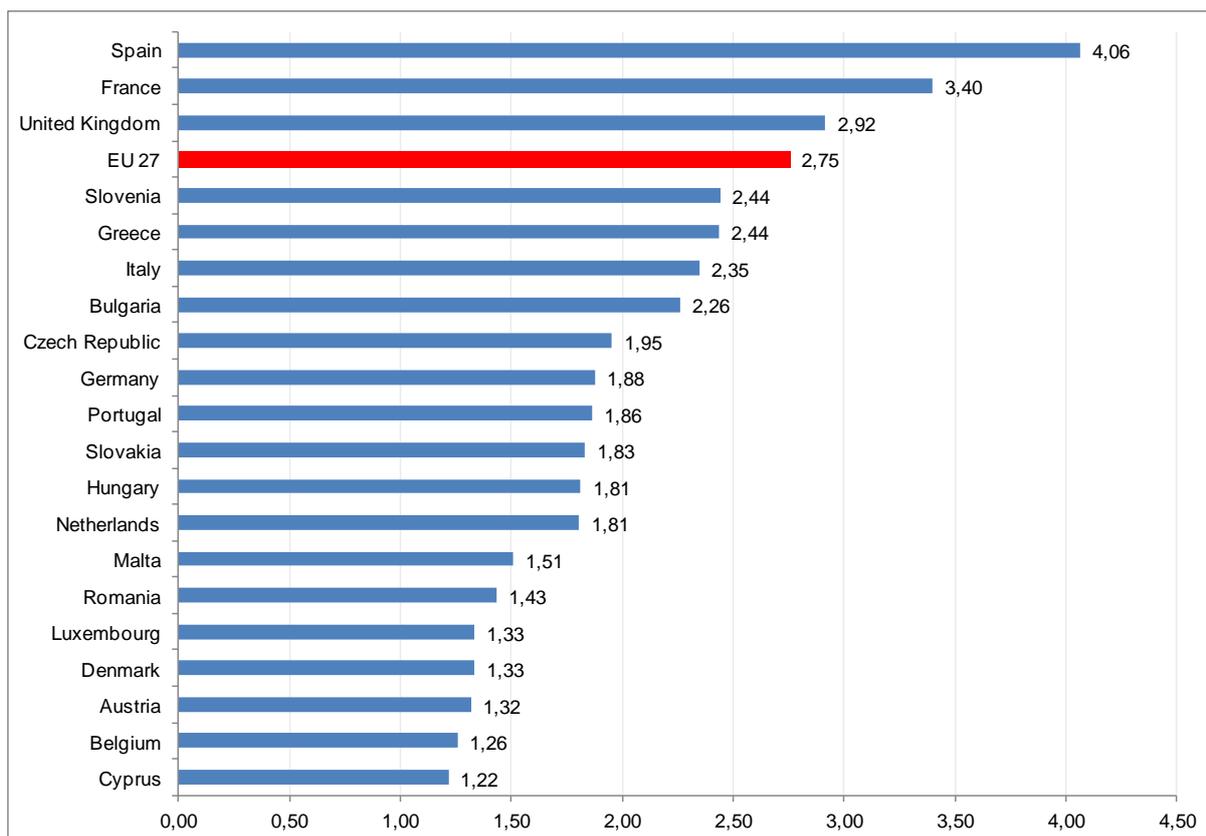
In the wines scheme, GIs in France, Italy, Spain and Germany gathered 93% of the value premium.

Table 40 - Share of GIs' value in the wine scheme

| | Share in the wine value |
|----------|-------------------------|
| France | 51.6% |
| Italy | 18.9% |
| Spain | 11.5% |
| Germany | 7.5% |
| Portugal | 3.6% |
| Austria | 2.4% |
| Hungary | 1.5% |
| Others | 3.0% |

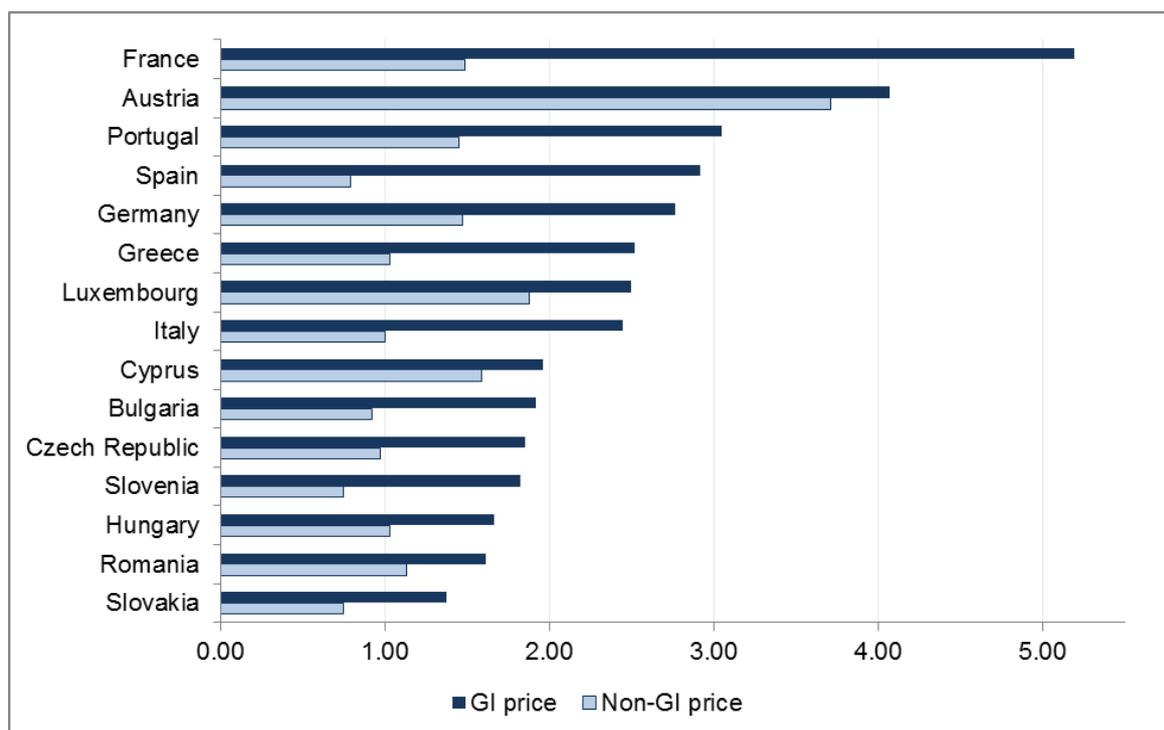
Source: AND-International survey for DG AGRI

Figure 35 - Value premium rate in the main MS in the wines scheme



Source: AND-International survey for DG AGRI

Figure 36 - Price of the wine under GI and non-GI wine in the main MS (€/l)

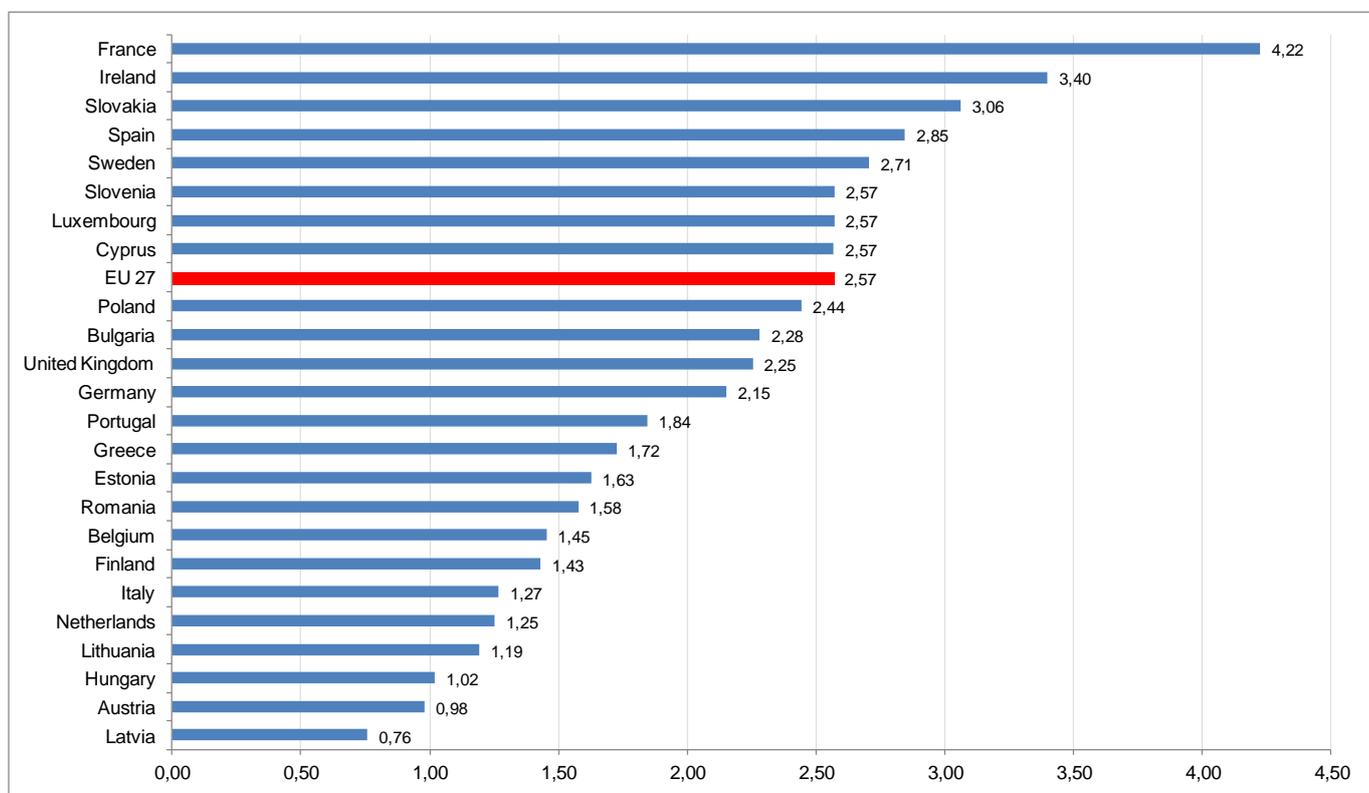


Source: AND-International survey for DG AGRI

2.4. Value premium by member state in the spirits scheme

Within the spirits scheme, GIs in the United Kingdom, France and Ireland gathered 87% of the spirits sales value. Poland, Spain, Italy and Greece represented another 9.5% of the spirits sales value. The other Member States accounted for the 3.5% left.

Figure 37 - Value premium rate per member state in the spirits scheme



Source: AND-International survey for DG AGRI

The French value premium rate was the highest (4.22); the Irish was high as well (3.40). The British rate was close to the median value (2.25 versus 2.00).

In the second group, Spain ranked first in terms of value premium rate (2.85). Poland ranked second (2.44); Greece's rate was 1.72 and Italy's rate was 1.27.

Among the last group of Member States with a small contribution to EU spirits sales value, remarkable rates were to be found in Slovakia (3.06); Sweden (2.71); Slovenia (2.57); Luxembourg (2.57); Cyprus (2.57); Bulgaria (2.28) and Germany (2.15).

GIs in France and in the United Kingdom represented 82% of the value premium in the spirits scheme.

Table 41 - Share of the GIs' value in the spirits scheme

| | Share in the spirits total sales value |
|----------------|--|
| United Kingdom | 54.4% |
| France | 25.7% |
| Ireland | 7.1% |
| Poland | 3.9% |
| Spain | 2.5% |
| Italy | 1.6% |
| Greece | 1.3% |
| Others | 3.5% |

Source: AND-International survey for DG AGRI

2.5. Value premium rate by national sector

Figure 38 shows the value premium rates of the main national sectors in the EU 27. These sectors gathered 94% of the total sales value of EU GI products.

We can note that:

- French wines had one of the biggest value premium rates (3.40) and the biggest contribution to the EU sales value (28.9%). This sector also contributed 36.2% of the EU value premium.
- Irish spirits had the same value premium rate as French wines (3.40) but a limited contribution to EU sales value under GI (1.1%).
- French spirits had the highest value premium rate (4.22) and made up 5.4% of the total value premium.
- Spanish wines were the second sector in terms of value premium rate (4.06) but had a lower contribution in the EU sales value (6.4%) because of limited sales volume and low prices compared to other MS.
- Concerning agricultural products and foodstuffs, the largest value premium rate was for Italy (1.73); it contributed for 8.5% of the EU value premium and for 11% of EU sales value under GI.
- Italian wines had the third biggest share in the EU sales value (10.6%) after French wines (11.1%) and Italian agricultural products and foodstuffs (11.0%), and the fifth place in terms of value premium rate (2.35).
- Spirits from the United Kingdom accounted for 8.2% in the EU sales value with a value premium rate of 2.25.

Undoubtedly, the value premium rate reflects national GI sectors' structures and history.

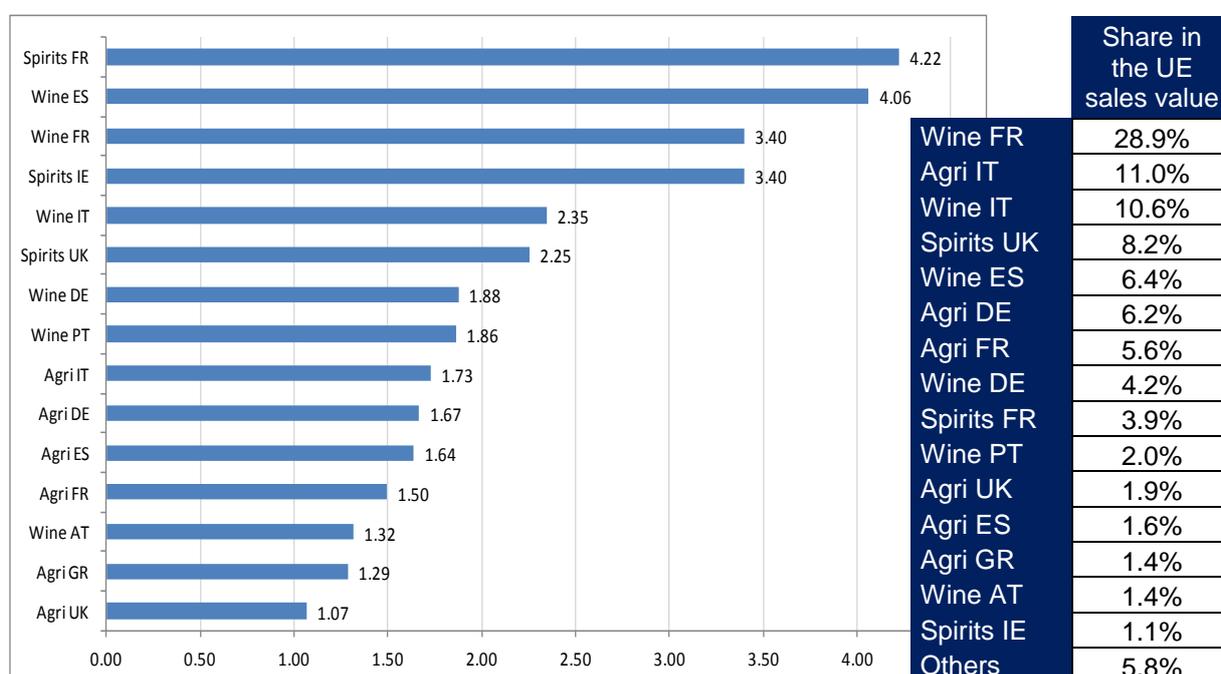
Thus, the French GI wine sector recorded one of the highest value premium rates, thanks to its very famous and rather huge vineyards such as Champagne, Bordeaux and Burgundy. These GIs are old (their European reputations being centuries old) and the market segmentation has been built according to PDO/PGI schemes for a very long time. Commercial brands exist and are sometimes very famous and powerful (for

instance in the Champagne supply chain) but they are working in co-branding way, together with the PDO scheme.

Conversely, British meats (Scottish and Welsh beef and lamb) showed low value premium rates. These products are as traditional and old as French wine can be, but they have been using the PGI scheme for only fifteen years. Meat market segmentation has not been built taking GI schemes as a cornerstone. It relies on species, animal classification, and overall on cuts (sirloin is more expensive than minced beef, made out of any beef cuts). Indeed, British meat packers use GI labelling as a signature for continental clients, as Scottish and Welsh meat marketing chains are naturally in excess and have to export a significant part of their production. The products range does not include luxury goods (unlike wine) that create a very wide price scale and open great opportunities for product segmentation and pricing strategies.

These two examples draw the high and low limits of the GI market positions: on the one hand, a high value premium rate, based on long time run GI scheme, including luxury goods at the top of a complex segmented market; on the other hand a low value premium rate, based on a signature name for shipments of more common products.

Figure 38 - Value premium rate of GI products by member state



Source: AND-International survey for DG AGRI

Figure 38 gives the value premium rate by sector and member state for the fifteen most important categories. On the top part of this chart, we find the spirits scheme (FR, IE, UK) and wines scheme (ES, FR, IT, DE, PT) showing value premium rates higher than 1.8; in the lower part of the chart we find all the agricultural products and foodstuffs schemes (IT, DE, ES, FR, GR, UK) and one wine scheme (AT).

Differentials were important, even within each range of product: Spanish wines under GIs were four times as expensive as the standard Spanish wines (due to the low price of non-GI wines); meanwhile Austrian wines under GI were only 1.32 times as expensive as Austrian standard wines (due to high prices for both GI wines and non-GI wines).

Taking into account the sales of each GI category in each MS, the share of each GI category in the value premium had been calculated:

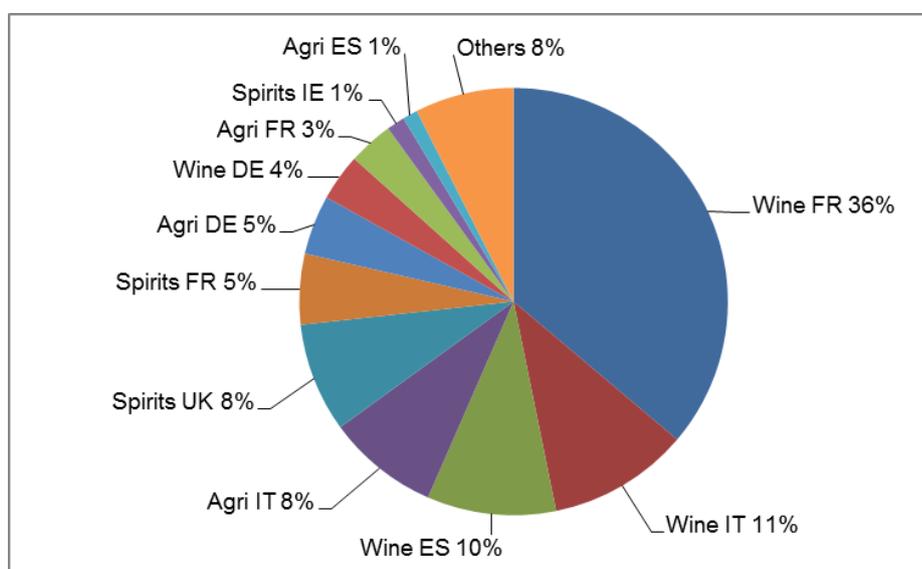
- French wines ranked first, with a 36.2% share. This is not surprising, as the French wine model has indirectly inspired the EU schemes; together with Italian and Spanish wines, this share climbed to a 59.9% of the EU value premium.

Two other big blocks stand out:

- Agricultural products and foodstuffs from Italy and Germany, due, respectively, to cheeses and hams and to beers, meat products and pastries.
- British and French spirits, i.e. Whisky and Cognac followed the same strategy: addition of major brands and GI.

56.5% of the global value premium was due to French, Italian and Spanish wines. Italian agricultural products and foodstuffs, spirits from the UK and France represented another 22.2% of the total value premium.

Figure 39 - Share in the EU value premium



Source: AND-International survey for DG AGRI

The value premium reflected the products positioning and thus was linked to its attractiveness. For the above mentioned sectors, this is related to:

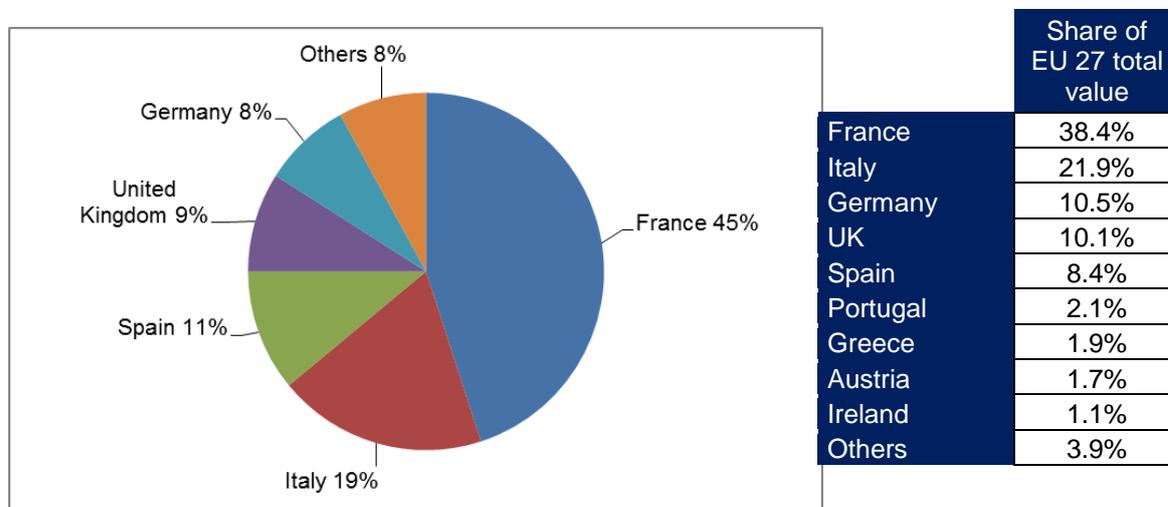
- The specific characteristics of the products, that made them different of the standard products,
- The role of GI in the production area: it may concern all the production of a given product, or it may only be used to reach selected segments of market (export, top-of-the-range markets), or as a levy for larger ranges of products.
- The product's fame as maintained or developed through promotion (collective promotion or individual with co-branding of trademark and GI).
- Consumers' willingness to pay for these products.

2.6. Value premium rates by Member State

The value premium rate was between 0.76 and 3.18 in the different Member States.

The Member States which gathered 89% of the GI sales value (France, Italy, Germany, the United Kingdom and Spain) gathered 92 % of the value premium.

Figure 40 - Share in the total value premium of the main Member States



Source: AND-International survey for DG AGRI

Different cases can be outlined:

- Big MS in terms of sales value with a high price premium rate (more than 1.50):
France, Italy, Germany, the United-Kingdom and Spain

The five MS of this first group gathered 89% of the EU sales value. Among these MS, the value premium rate was higher for Spain, France and Italy (1.97 to 3.18) than for Germany and the United Kingdom (respectively 1.75 and 1.86).

The following table shows the main sectors contributing in the sales value and with the highest value premium rates in each of these five Member States.

Table 42 - The main sectors involved in the main MS

| | France | Italy | Germany | The United Kingdom | Spain |
|---|--|--|---|--------------------------|---------------------------------|
| Main sectors in terms of sales value | Wine Spirits Cheese | Cheese Meat products Wine | Beers Wine Meat products | Spirits Fresh meat | Wine Spirits Cheese |
| Sectors with the highest value premium rates | Spirits Wine Essential oils Pasta | Oils and fats Other products of animal origin Wine | Bread, pastry... Cheese Wine Spirits | Beers Wine Spirits | Wine Spirits Sea products |

Source: AND-International survey for DG AGRI

- Minor MS in terms of sales value (less than 3%) with a high value premium rate (more than 1.50): Ireland, Sweden, Poland, Slovenia, Bulgaria, Slovakia, Portugal, Finland, Hungary, Estonia and Malta.

This second group of eleven MS gathered 5.5% of the EU sales value. Their value premium rates were between 1.51 for Malta and 3.11 for Ireland.

Thanks to the high value premium rate of Irish spirits, Ireland was the second Member State (among EU27) in terms of value premium rate.

In this second group, the highest value premium rates were those of Ireland (3.11); Sweden (2.91); Poland (2.43); Slovenia (2.43); Bulgaria (2.26); Slovakia (1.99). The other Member States had lower value premium rates: 1.88 in Portugal; 1.80 in Finland; 1.77 in Hungary; 1.63 in Estonia and 1.51 in Malta.

- Minor MS in terms of sales value (less than 3%) with a low value premium rate (less than 1.50): Cyprus, Romania, Greece, Luxembourg, the Czech Republic, Belgium, Austria, the Netherlands, Lithuania, Denmark and Latvia.

This third and last group of Member States only represented 5.5% of the EU sales value. Their value premium rates were lower than 1.50.

In this group, the main Member States in terms of sales value were Greece (1.9%) and Austria (1.7%). The others contributed for less than 1% each.