

CALL FOR PAPERS & IDEAS

The European protected wine designations. A comparative analysis

Background

The backbone of the European wine industry is represented by the appellation regime, that is the Geographical Indication (Protected Designations of Origin, PDO, and Protected Geographical Indication, PGI) system. Although within the same common EU and possibly national regulations, the GIs in the wine sector have been configured, organized and managed quite differently across different regions. Moreover, the appellation system is facing many challenges: some external, like those related to environmental, social, and governance (ESG) issues or the climate change, fires, and unpredictable weather shocks; others internal, as some GIs are splitting, others are grouping together, some are losing members, others are refusing new members.

It then seems that the whole system of the GIs is under discussion, and apparently none of its variants is avoid of problems, since many different models of appellations are challenged if not already under revision. But curiously enough, although many GIs are facing some critical challenges, the EU wine producing model based on appellations is being extended to other regions: in the EU, in non-UE countries relatively new to the wine world (e.g., China), in the New World wine producing countries (e.g., Argentina) and, last but not least, also in developing countries. It is thus evident that this form of regulation must have its own merits, at least to the extent that it is efficient and effective in addressing these present and future challenges by leveraging and enhancing the internal capabilities of the economic agents involved in the wine supply chain to adapt and thrive. Starting from these considerations, we believe that it would be useful to undertake a thorough comparative analysis on the effectiveness and efficiency of the different models of configuration and management of the designations of origin that are in place in the main wine-producing areas of the EU. This comparative analysis could be useful in providing relevant information and possibly timely support for better decision-making to wine industry stakeholders and regulators.

Goal

The goal of this call is thus to mobilize and involve economists to brainstorm and work on the following research questions. Can we compare the structure and performance of wine regulations and appellations in different EU countries (FR, ES, IT, PT, ...) to better understand the functioning and efficiency of their different models? How were these

different systems created? What was (and is) the industrial organization of the wine industry behind them and how is it evolving thanks to the current appellation system? What is the relationship between the individual brands and the collective one that represents the PDO? Can we compare different appellation and regulation systems? Which indicators can be used to measure their performance? How should the different systems be analyzed? These are some of the questions that could be investigated.

Approach(es)

Historically, the first demarcations of wine regions were initiated in the mid-18th century (Chianti, Tokay, Douro, ...) and emerged as a means to ensure quality control and to solve adverse selection problems, thus creating also the first instances (at least in agriculture) of 'collective reputation'. There are different economic theories that could be used as useful approaches to analyze these different appellations systems, such as the analysis of public goods, theory of incentives, industrial organization, experimental economics, collective behavior, governance structures, property rights, common goods, free-riding behavior, the design of optimal economic policies, etc. Consequently, the first order of business is to define the relevant research questions and propose the appropriate theoretical and empirical (economic and business) approaches to answer those research questions.

The call

We start by contacting different colleagues in the wine economics and business field to get them involved in this endeavor and share questions and ideas on how to proceed with these possible research topics. In particular, can we find a common set of questions that can be relevant for different countries, for instance? Can we find and involve a group of stakeholders – from the wine business, regulation and policy-making – that are interested in the topic, the questions, and the possible economic analysis?

With the appropriate feedback and the involvement of interested colleagues, we organize a workshop in Zaragoza with researchers and few stakeholders, where ideally there will be the coexistence and interaction of three different parts:

- a *scientific* part, with sessions to discuss the state of the art of the economic and business research that is available on these topics;
- an *industry* part, where industry representatives could highlight the challenges regarding the appellation system in different countries and the issues they are facing, thus helping the researchers to focus on the most relevant questions;

- a *regulatory* and policy-making part, where policy-makers at national or EU level - for instance from INAO in France, IVV in Portugal, as well as from OIV and European Commission - could illustrate their point of view and the relevant questions that economists and business analysts could analyze.

The workshop is scheduled for March 20-21, 2023 in Zaragoza and will be organized under the umbrella of the VINCI Project (Interreg-Sudoe) with the collaboration of the EuAWE and the Instituto Agroalimentario de Aragón (Universidad de Zaragoza-CITA).

If you are interested in these topics and this endeavor, **please send an email** with your paper, or an extended abstract, or simply your interest in participating, to Vicente Pinilla (vpinilla@unizar.es) **by the end of January 2023**.

Organizing committee

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