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German Wine Production and Trade 1998

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1998 German wine must production is about 11.7 million hectoliters (hl), up 38 percent from 8.5 million hl in 1997 and up 17 percent from the long-standing average of 10 million hl. Germany imported 11.8 million hl and exported 2.7 million hl of wine in 1997, mostly quality white wines. The United States exported wines worth US$26 million to Germany in 1997, mainly red wines. U.S. exports are trending upward as Germans increasingly prefer higher-quality wines. Wine consumption grew moderately in 1997.

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Executive Summary

Due to climate and geography, annual German wine production varies greatly in quality and quantity. German must production in 1998 is estimated at 11.7 million hectoliters (hl) and increased 38 percent from 8.5 million hl produced in 1997. The 1998 must is good quality, with around 40 percent of wines in the category "quality wines with special attributes." Wine consumption, which benefits from a positive image associated with health, celebrations and get-togethers, increased moderately in 1997. The good harvest will likely prompt German wine producers to seek to regain domestic and international market shares.

Germany exported 2.7 million hl of wine at US$460 million in 1997, the bulk of which was quality white wines. It imported 11.8 million hl of all kinds of wines valued US$1,8 billion. The United States exported wines worth US$26 million to Germany in 1997, mainly red wines. U.S. exports are trending upward as Germans increasingly prefer higher-quality wines.

In 1996 the German Wine Institute started a marketing campaign to promote German wines in the lucrative, medium-priced foreign wine markets in such countries as Great Britain, the United States and Japan. Part of these marketing activities was devoted to launching new white wines called "Profile Wines (Profilweine)." Others include contracting PR agencies in several European countries, Japan and North America. In the past, particularly in Great Britain and the U.S., German wine (e.g. Liebfrauenmilch) was sold in the low priced wine segment.

Average annual exchange rates were in
1994: $1 = DM 1.61,
1995: $1 = DM 1.43,
1996: $1 = DM 1.50,
1997: $1 = DM 1.73,
1998: $1 = DM 1.80 1/.

1/ between January and August 1998.

SECTION I: SITUATION AND OUTLOOK

General

Germany is the world 's northernmost wine growing country. Due to climate and geographics, annual German wine production is confronted with enormous variations in quality and quantity. The country produces mainly delicate, light white wines with low alcohol and some red wines. About 80 percent of the vineyard area is planted with white grape varieties, only 20 percent in red varieties. The unique character of German wines is not only a function of grape varieties but also of soil structure and climate. German grapes grow from Lake Constance (Bodensee) in the South, along the Rhine and its tributaries, up to the Mittelrhein near Bonn in the North, and from the border with France in the West to the Elbe river in the East. The entire German wine production area is divided into thirteen specific wine-growing-regions, each of which produces wines typical for that region.

German wine quality categories are determined by the degree of ripeness at harvest time. The two principle wine quality categories under the German wine law are table wines and quality wines. Table wine is made from normally ripe grapes and quality wine from ripe, very ripe or overripe grapes. Table wine types are "German simple table wine" (Deutscher Tafelwein) and higher quality "German special table wine" (Deutscher Landwein). The notion "German" indicates that only grapes grown in Germany are allowed to produce these types of wine. Other table wines may be produced from foreign must. Categories of quality wines are "quality wine of special areas" (Qualitaetswein bestimmter Anbaugebiete) and "quality wine with special attributes" (German designated quality of Praedikatswein). Germany does not designate special table wine areas; however, quality wines may be marketed as table wines, e.g., if they do not meet standards for quality wines or for marketing reasons.

Due to the unique conditions and circumstances of German wine production, this country's wine industry reacts sensitively to EU wine policy changes. The 1994 EU wine market reform suggestions - e.g. prohibition of sucrose to increase alcohol content; EU wide country specific production quotas; and required distillation (removal of wine from the market to produce alcohol for industrial use) for quality wine - would have had a negative impact on German wine production. It was consequently rejected by the German wine industry.

South European wine producers enjoy the benefit of a sunny climate. This helps produce grapes with a higher sugar content which results in higher levels of alcohol after fermentation. German wine producers - as opposed to the South European producers - need to add sucrose to the grape must prior to fermentation to increase the alcohol content of certain wines and offer a competitive and tasty product. (This oenological practice is only allowed for table wines and quality wines of special areas, not for quality wines with special attributes.) German wines are marketed without any subsidies; thus, wine producers believe production quotas are unfair.

Under the 1994 reform proposal, required distillation would have addressed oversupply of wine on the EU market caused by excessive table wine production in southern Europe but would not have addressed the needs of German wine producers who produce chiefly marketable quality wines and cannot count on stable wine yields.

The 1998 suggestions for EU wine market reform did not include these proposals and were welcomed by the German wine industry. These suggestions allow the use of sucrose where this practice was traditionally used (certain wine growing areas of France, Germany, Austria, Luxembourg and the UK). Unfortunately, the overall low 1998 EU wine grape harvest reduces pressure for wine market reform. Thus the 1998 reform proposals may not be realized, leaving German wine growers again uncertain about the future use of sucrose, production quotas or required distillation of quality wines.

Production of Wine Must

Total vineyard area was 101,092 hectares (ha) in 1998, with an average yield of 116 hl per ha. In 1997, area totaled 102,475 ha, and average yield was 82.9 hl per ha. The 1998 harvest marks the first high harvest after three consecutive years of low harvests as German wine must production increased to an estimated 11.7 million hl in 1998, from 8.5 million hl in 1997, 8.6 million hl in 1996 and 8.5 million hl in 1995 (see Table 1). (Average harvest equals around 10 million hl.) The 1998 wine must varied in quality depending on the region where harvested. During this year wine regions such as Rheingau, Hessische Bergstraße, Franken and Baden produced must of superior quality with more musts in the category of "quality wines with special attributes" (cabinet or higher quality). All other German wine regions harvested mainly must for quality wines.

The low harvests of the last three years could not be balanced by German wine stocks resulting in lost domestic and international market shares. Some retailers delisted certain unavailable German wines. Consequently, higher imports filled the growing demand of the German market while German exports decreased (see Tables 5 and 6). Because of the higher 1998 yield, German wine producers may compete more in domestic and international markets beginning in MY1998/99 (September/ August), especially since they have to reenter retail outlets where German wine had been formerly delisted.

Table 1 shows German wine must production distinguished by quality between 1994 and 1998 (preliminary). It depicts that particularly white wine must production increased stronger (+42%) than red wine must (25%) between 1997 and 1998. Additionally, table 2 demonstrates the amount and quality of wine which was finally produced by German wineries.

Trade

Germany imported 11.8 million hl of wine in 1997 valued at US$ 1.8 billion (DM 3.1 billion). That year imports exceeded domestic production by 3.5 million hl. Most imports originated from EU member countries with Italy, France and Spain supplying the bulk. Their collective import share in value terms amounted to 85 percent in 1997 (see Table 5).

The United States has a very small market share in Germany in terms of volume. However, it is a significant market player on a value basis due to shipments of wines in the premium price (above US$22 / bottle) segment (see Table 3). The United States supplied mostly high-priced white and red wines valued at US$26 million (DM 45 million) in 1997. It exported only small quantities of so-called quality wines, sparkling wines or liquors to Germany. Wine coolers represent a lucrative market of increasing importance for U.S. wines (see Table 3). Shipments of U.S. wines were significantly up in 1997 and are
expected to have risen further in 1998 as German wine consumption increased moderately, and Germans

turn more to medium and high priced wines. Not only the quantity but also the quality of German wine imports from the United States increased. The quantity of U.S. wine exports to Germany grew by 17 percent in 1997 while value increased disproportionately by 36 percent.

Germany exported 2.7 million hl of wine in 1997 valued US$460.1 million (DM 796 million). Great Britain represents the most important German export market, but wines sold into this market are generally in the low-priced segment. In 1997, Germany exported wines valued at US$33.5 million (DM 58 million) to the United States (see Table 6).

Marketing

Generic marketing for the German wine industry is conducted by the German Wine Institute, charged with marketing and promoting the quality of German wines within Germany and around the world. It receives most of its funds from the "German Weinfond" which collects contributions from the German wine industry through check-offs:

C Wine- growers pay DM 130 per hectare of vineyard area.
C Wine traders/producers pay DM 1,30 per hectoliter of grape and must wine.

The annual budget totals approximately US$ 11.5 million (DM 20 million), depending on annual yields. As there have been low wine yields in the past three years, the budget decreased so that resources to launch new marketing activities were limited. (Generally, there is a two year time lag between harvest and final collection of check-offs.) Consequently, the higher yield of 1998 will only have a positive impact on the marketing actions of the German Weinfond in two more years.

The German Wine Institute budget consists of proceeds from its own business and contributions of both the German Weinfond and individual wine producing states. The German Weinfond and the German Wine Institute coordinate the domestic and international marketing activities such as consumer information through media advertising, sales promotion, educational seminars, participation in trade fairs, organization of national and regional events, development of sales promotion material/information services and communications.

Overall German wine marketing aims may be summarized as:

C Improving the image of German wine and promoting German wine in the high and medium priced segment.
C Establishing and increasing market shares in traditional import markets.
C Defining and conquering new import markets.

With new promotional efforts the German Wine Institute wants to increase export quantities and improve the image of German wines, particularly in the lucrative medium-price segment of the wine market (between $5 and $9 a bottle), a segment in which German wines are underrepresented. Besides the traditional import markets in Europe, North America and Japan, new markets in Eastern Europe, South America and Asia are targeted.

The German Wine Institute also cosponsors wine promotion events with German wine exporters. For example, during a wine tasting in London's Hyde Park Hotel in 1996, "new" wines were presented. These wines are also scheduled to be promoted in the United States and other lucrative wine-importing markets like Australia, New Zealand and South Africa. These so called "Profile Wines" were specifically developed to meet international tastes for medium-priced wines while maintaining the German character (high quality, white, dry, low alcohol content) of the wines. The marketing campaign, made up of advertising, promotion, commercials, and image campaigns, is financed by the German Wine Institute. Additional funds are derived from a check-off program paid for by the participating companies, and special funds are made available by the state of Rhineland-Palatinate. The wines seem to sell reasonably well, although the German wine industry is finding it hard to change its dominant reputation, for sweet "Liebfrauenmilch"-type wines.

Marketing Events in Germany

Trade Fairs

In Germany, trade fairs play a key role in presenting new products to the trade or in finding additional buyers and importers. The major German trade fairs for foreign wine traders are:

ProWein (Each year in March)

Duesseldorfer Messegesellschaft GmbH - NOWEA	Tel: (49-211) 4560-01
Stockumer Kirchstr. 61	Fax: (49-211) 4560-668
40474 Duesseldorf, Germany	http:\\www.tradefair.de

INTERVITIS INTERFRUCTA:
(Takes place every three years, next fair in 2001)

Messe Stuttgart International	Tel: (49-711) 25 89-0
Postfach 10 32 52	Fax: (49-711) 25 89-626
70028 Stuttgart, Germany	http://www.messe-stuttgart.de

INTERVITIS INTERFRUCTA is an international trade exhibition for viticulture and enology, cultivation and processing of fruit, bottling and packaging techniques. It is organized by the German Wine Association.

In addition, there are several key international food and beverage trade shows held in Germany (e.g., ANUGA, INTERNORGA, INTERGASTRA and IMEGA) which have special sections for beverages, including wine. U.S. exporters interested in exhibiting at a German trade show may contact the ATO in Hamburg (ATOHamburg@fas.usda.gov) for further information.

Contacts

Information on EU import requirements, as well as a list of approved certifying laboratories, is available from the Bureau of Alcohol, Tobacco and Firearms:

Bureau of Alcohol, Tobacco and Firearms (ATF)	Tel: (202) 927-8110
Alcohol Import-Export Branch	Fax: (202) 927-8605
650 Massachusetts Ave., NW	E-mail: alcohol/tobacco@atfhq.atf.treas.gov
Washington, DC 20226	http://www.atf.treas.gov

Information on EU and German market trends and opportunities for wine is available from the Wine Institute of California office in the Netherlands:

Wine Institute of California	
Prins Bernhardlaan 10	Tel: (31-172) 471-571
Postbus 208	Fax: (31-172) 475-545
2400 AE Alphen a/d Rijn, Netherlands	http://www.wineinstitute.org

The German wine import trade is represented by the German Association of Wine and Spirit Importers in Wiesbaden, Germany. In addition to services for members, it also publishes sales offers by foreign suppliers in its weekly trade newsletter to members.

Bundesvereinigung Wein- und	
Spirituosen e.V.	
Sonnenberger Str. 46	Tel: (49-611) 521-033
65193 Wiesbaden, Germany	Fax: (49-611) 599-775

The German Wine Association represents the German wine industry (i.e., growers and wineries). It provides a good forum for political and trade contacts and is a valuable source for information on German wine production, wine law and wine labeling.

Deutscher Weinbauverband e.V.	Tel: (49-228) 221-401
Heussallee 26	Fax: (49-228) 261-683
53113 Bonn, Germany	E-mail: dwv-bonn@t-online.de

The German Wine Institute is the official wine promotion board for German wines, both in Germany and abroad. It is financed by the German Wine Fund through check-off programs and sponsored activities (e.g., sales and promotional materials). Some of its activities and materials, e.g., seminars and reports, may be of interest to U.S. exporters in gaining insights into current market trends.

Deutsches Weininstitut GmbH	
Gutenbergplatz 3-5	Tel: (49-6131) 282-9-0
55006 Mainz, Germany	Fax: (49-6131) 282-920

SECTION II: STATISTICAL TABLES

Table 1: German Wine Must Production by Type and Quality (1,000 hl)

Calendar Year	**1994**	**1995**	**1996**	**1997**	**1998 1/**
a) White Wine	8,349	6,784	6,787	6,614	9,381
- Table wine	154	116	32	40	187
- Quality wine	4,331	4,821	3,955	1,939	5,441
- Quality wine with special attributes	3,864	1,847	2,800	4,635	3,752
b) Red Wine	1,999	1,726	1,856	1,881	2,345
- Table wine	14	23	5	11	37
- Quality wine	1,426	1,504	1,394	553	1,090
- Quality wine with special attributes	559	200	457	1,316	752
c) Total Wine	10,348	8,510	8,642	8,494	11,726
- Table wine	168	139	36	51	235
- Quality wine	5,756	6,325	5,349	2,493	6,801
- Quality wine with special attributes	4,434	2,046	3,257	5,950	4,690

1/ Preliminary.
Note: Discrepancies are due to rounding.

Sources: Statistical Office Wiesbaden: Agriculture, Forestry, Fisheries: "Series 3: Growth and Yield - Grapes," various publications. FAS/Bonn estimates. German Wine Association.

Table 2: German Wine Production (1,000 hl)

Calendar Year	1995	1996	1997	97/96 %- changes
a) White Wine	6,552	6,749	6,481	-4.0
- Table wine	218	171	244	+42.9
- Quality wine	5,050	4,670	2,953	-36.8
- Quality wine with special attributes	1,283	1,907	3,282	+72.1
b) Red Wine	1,725	1,842	1,829	-0.7
- Table wine	17	8	9	+9.5
- Quality wine	1,646	1,693	1,422	-16.0
- Quality wine with special attributes	61	140	397	+183.3
c) Total Wine	8,278	8,591	8,310	-3.3
- Table wine	236	179	254	+41.3
- Quality wine	6,697	6,364	4,376	-31.2
- Quality wine with special attributes	1,344	2,047	3,680	+79.7

Sources: German Wine Statistics 1998, German Wine Insitut, p.10.

Table 3: German Imports of Wine (1,000 hl, million DM)

Type	1995		1996		1997		1998 1/	
	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM
Quality White Wine								
Total	1,050	334	1,040	385	1,011	410	742	305
Intra-EU	1,048	333	1,040	385	1,010	409	742	305
Extra-EU	2	1	0	0	0	1	0	0
-United States	0	0	0	0	0	0	0	0
Other White Wine								
Total	3,657	396	4,057	486	3,864	440	2,909	330
Intra-EU	3,385	344	3,708	418	3,494	353	2,598	260
Extra-EU	272	52	349	68	370	87	310	69
-United States	13	7	16	9	19	12	20	11
Quality Red Wine								
Total	1,524	592	1,750	742	1,911	874	1,454	696
Intra-EU	1,521	592	1,750	742	1,908	873	1,453	696
Extra-EU	3	1	0	0	3	1	0	0
-United States	0	0	0	0	0	0	0	0
Other Red Wine								
Total	2,218	330	2,825	443	3,154	523	2,181	402
Intra-EU	1,458	207	1,852	282	1,992	305	1,290	232
Extra-EU	760	123	973	161	1,161	217	890	171
-United States	20	12	37	22	44	30	39	23
Vermouth								
Total	700	59	582	65	476	52	294	37
Intra-EU	339	39	252	45	201	34	155	27

See next page.

Continuation Table 3: German Imports of Wine (1,000 hl, million DM)

Type	1995		1996		1997		1998 1/	
	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM
Extra-EU	360	20	330	20	274	18	139	10
-United States	1	0	0	0	0	0	0	0
Wine Coolers								
Total	128	24	128	24	120	23	113	19
Intra-EU	114	18	115	18	105	15	102	14
Extra-EU	14	6	13	6	14	7	10	5
-United States	2	1	3	2	3	2	2	1
Liquor/Wine Spirits								
Total	292	101	264	106	154	51	82	31
Intra-EU	291	100	264	106	154	51	82	31
Extra-EU	1	0	1	0	1	1	0	0
-United States	0	0	0	0	0	0	0	0
Sparkling Wine/Base Wine for Sparkling Wine								
Total	1,116	647	1,084	682	1,119	735	712	437
Intra-EU	1,105	633	1,064	667	1,101	723	706	433
Extra-EU	21	15	20	15	17	12	6	4
-United States	0	0	0	0	0	0	0	0
Total Wine								
Total	10,695	2,483	11,736	2,933	11,813	3,108	8,490	2,258
Intra-EU	9,262	2,265	10,049	2,663	9,970	2,764	7,132	1,998
Extra-EU	1,433	218	1,687	271	1,842	345	1,358	259
-United States	37	21	57	33	67	45	62	36

1/ January-August 1998 only.
Note: Discrepancies are due to rounding. A zero means that trade took place but at quantities and values less than indicated in the header after rounding. A dash means no entry.

Source: FAS/Bonn based on trade data from the Federal Office of Statistics.

Table 4: German Exports of Wine (1,000 hl, million DM)

Type	1995		1996		1997		1998 1/	
	1,000hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM
Quality White Wine								
Total	1,833	512	1,778	547	1,526	499	965	335
Intra-EU	1,344	323	1,306	345	1,067	286	682	192
Extra-EU	488	187	470	201	456	211	282	142
-United States	97	45	107	53	100	52	64	35
Other White Wine								
Total	454	84	434	88	395	83	263	58
Intra-EU	395	71	389	78	332	68	229	48
Extra-EU	59	13	44	11	62	14	33	9
-United States	1	0	1	0	2	1	1	0
Quality Red Wine								
Total	29	19	33	28	45	36	55	35
Intra-EU	16	10	20	17	19	18	12	13
Extra-EU	13	7	12	9	25	16	42	19
-United States	2	1	2	1	2	1	1	1
Other Red Wine								
Total	76	18	114	26	131	29	93	24
Intra-EU	65	15	92	20	79	16	65	14
Extra-EU	11	3	21	6	51	13	28	9
-United States	1	0	3	1	2	1	1	1
Vermouth								
Total	258	46	163	28	286	44	99	16
Intra-EU	118	25	129	21	164	23	78	11

See next page.

Continuation Table 4: German Exports of Wine (1,000 hl, million DM)

Type	1995		1996		1997		1998 1/	
	1,000hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM	1,000 hl	Mio DM
Extra-EU	140	21	34	6	121	20	20	4
-United States	1	0	1	0	1	0	0	0
Wine Coolers								
Total	94	22	136	36	140	35	43	12
Intra-EU	53	15	85	24	77	20	30	8
Extra-EU	41	8	50	13	62	15	13	4
-United States	2	0	1	0	1	0	0	0
Liquor/Wine Spirits								
Total	12	4	7	3	6	4	4	3
Intra-EU	10	3	6	2	3	2	2	1
Extra-EU	2	1	1	0	3	1	2	1
-United States	0	0	0	0	0	0	0	0
Sparkling Wine/Base Wine for Sparkling Wine								
Total	251	76	193	70	123	67	64	37
Intra-EU	71	24	53	25	60	34	43	21
Extra-EU	179	48	138	41	61	29	20	12
-United States	5	2	4	2	4	2	2	1
Total Wine								
Total	3,008	782	2,862	827	2,656	796	1,590	518
Intra-EU	2,072	484	2,084	531	1,805	466	1,141	309
Extra-EU	931	289	772	287	844	318	443	200
-United States	109	49	119	58	113	58	70	38

1/ January-August 1998 only.

Note: Discrepancies are due to rounding. A zero means that trade took place but at quantities and values less than indicated in the header after rounding. A dash means no entry.

Source: FAS/Bonn based on Federal Office of Statistics.

Table 5: German Wine Imports - United States and Other Important Suppliers (hl, 1,000 DM)

COUNTRY	1996		1997		1998 1/	
	100 KG	1,000DM	100 KG	1,000DM	100 KG	1,000DM
U.S.A.	57,353	33,221	67,367	44,526	58,616	33,871
ITALY	4,805,378	1,005,346	4,917,460	1,047,384	2,789,017	699,130
FRANCE	3,440,666	1,163,400	3,039,172	1,203,027	1,899,720	744,612
SPAIN	1,325,812	359,816	1,547,784	383,376	1,388,466	277,899
MACEDONIA	358,478	31,313	420,796	38,758	304,402	27,807
CYPRUS	264,868	15,289	203,567	13,590	123,007	8,333
BULGARIA	241,477	34,751	246,671	36,241	175,804	24,182
GREECE	231,766	57,181	212,393	56,985	133,358	36,765
ROMANIA	187,678	18,753	208,314	20,814	166,640	18,994
HUNGARY	176,693	26,129	201,068	34,900	152,874	27,661
AUSTRIA	104,619	28,787	107,258	28,516	81,490	22,217
PORTUGAL	92,490	41,176	99,592	38,111	79,090	24,550
SOUTH AFRICA	65,647	24,492	75,352	31,197	46,128	18,061
CHILE	60,399	18,685	95,732	35,511	66,409	27,867
TUNISIA	52,162	5,128	76,319	8,526	41,518	5,170
CROATIA	49,718	7,068	32,345	6,280	14,312	3,955
ALGERIA	45,617	2,887	6,146	1,205	-	-
NETHERLANDS	24,176	2,928	38,355	4,397	35,354	6,993
AUSTRALIA	24,173	13,306	38,954	23,612	22,658	12,564
BEL/LUX	23,558	3,580	5,801	2,184	7,953	2,441
OTHER	111,043	43,602	178,963	52,212	75,388	30,034
WORLD	11,743,771	2,936,838	11,819,409	3,111,352	7,662,204	2,053,106

1/ January-August 1998 only.
Note: "Other" includes all countries not listed.
1996 was used as reference year to rank the countries.

Source: FAS/Bonn based on Federal Office of Statistics.

Table 6: German Wine Exports - United States and Other Important Destinations (hl, 1,000 DM)

COUNTRY	1996		1997		1998 1/	
	100 KG	1,000 DM	100 KG	1,000 DM	100 KG	1,000 DM
U.S.A.	118,728	58,046	113,154	57,749	64,351	34,689
GREAT BRITAIN	1,074,748	268,983	942,821	245,819	526,391	143,421
NETHERLANDS	338,539	92,828	293,034	77,981	163,354	45,166
FRANCE	170,625	45,932	108,024	29,395	34,085	10,464
DENMARK	169,421	31,698	116,022	21,840	59,923	12,694
JAPAN	152,207	82,402	159,423	91,293	125,745	70,273
BEL/LUX	120,511	28,619	141,029	29,885	70,991	16,072
RUSSIA	116,941	25,437	105,272	27,726	42,670	15,345
SWEDEN	105,817	33,687	91,324	28,522	59,870	18,076
BRAZIL	81,387	21,236	49,309	12,704	15,835	4,837
NORWAY	52,828	15,330	48,781	15,795	29,475	9,810
CANADA	50,879	20,089	45,652	18,784	26,434	11,171
AUSTRIA	36,627	10,317	49,178	12,504	34,652	10,859
SWITZERLAND	32,166	12,875	46,089	17,389	7,793	5,592
FINLAND	25,318	7,130	28,491	8,336	15,451	5,090
UKRAINE	22,169	4,353	20,800	4,255	-	-
ITALY	15,863	4,443	18,497	6,341	7,020	2,538
IRELAND	15,723	4,740	13,030	4,188	8,107	2,592
KAZAKHSTAN	14,971	3,136	51,187	9,269	10,690	2,306
SOUTH KOREA	11,126	4,362	13,257	4,493	-	-
OTHER	135,592	51,567	202,054	71,719	86,638	35,964
WORLD	2,862,186	827,210	2,656,428	795,987	1,389,475	456,959

1/ January-August 1998 only.
Note: "Other" includes all countries not listed.
1996 was used as reference year to rank the countries.

Source: FAS/Bonn based on Federal Office of Statistics.

Table 7: Average Import Prices for Wine (DM/hl)

Year	1994	1995	1996	1997	1998 1/
Quality White Wine	283	318	370	405	411
Other White Wine	98	108	120	114	113
Quality Red Wine	364	389	424	457	478
Other Red Wine	144	149	156	166	184
Vermouth and its Base Wines	76	84	111	108	126
Wine Coolers	265	187	185	188	163
Liquor/Wine Spirits	351	345	399	330	378
Sparkling Wine and Base Wines for Sparkling Wine	512	575	628	656	613
Total	210	232	250	263	266

1/ 1998 includes January-August 1998 only.

Source: FAS/Bonn based on Federal Office of Statistics.

Table 8: Average U.S. Import Price for Wine (DM/hl)

Year	1994	1995	1996	1997	1998 1/
Quality White Wine	633	819	1,154	703	0
Other White Wine	570	545	556	624	553
Quality Red Wine	1,184	708	500	461	746
Other Red Wine	653	612	598	682	595
Vermouth and its Base Wines	0	40	413	889	490
Wine Coolers	379	491	450	537	545
Liquor/Wine Spirits	944	1,400	1,444	1,655	2,077
Sparkling Wine and Base Wines for Sparkling Wine	1,095	777	856	1,360	765
Total	615	574	579	661	581

1/ 1998 includes January-August 1998 only.

Source: FAS/Bonn based on Federal Office of Statistics.

Table 9: EU Wine Tariff Rates (in Ecu per hl)

CN Code	Description	07/98-06/99	07/99-06/2000	07/2000
2204;1011:1099	Sparkling wine $8.5% vol	34.7	33.3	32.0
	In containers #2 liters			
2204;2110	Wine	34.7	33.3	32.0
2204;2111:2180	Quality wine #13% vol	14.2	13.6	13.1
2204;2181:2184	Quality wine >13 but #15% vol	16.4	15.6	15.4
	>15 but # 18% vol			
2204;2187:2188	Marsala/Samos/Muscat de Lemnos	20.2	19.4	18.6
2204;2189:2193	Port/Madeira/Tokay/Sherry	16.0	15.4	14.8
2204;2194	Other wine	20.2	19.4	18.6
	>18 but #22% vol			
2204;2195	Port	17.1	16.4	15.8
2204;2196	Madeira/Sherry/Setubal muscatel	17.1	16.4	15.8
2204;2197	Tokay	17.1	16.4	15.8
2204;2198	Other	22.6	21.7	20.9
2204;2199	Wine >22% vol	1.90 Ecu/ % vol/hl	1.8 Ecu/ % vol/hl	1.75 Ecu/ % vol/hl
	In containers >2 liters			
2204;2910	Wine	34.7	33.3	32.0
2204;2912:2975	Quality wine #13% vol	10.7	10.3	9.9
2204;2981:2984	Quality wine>13 but #15% vol	13.1	12.6	12.1
	>15 but # 18% vol			
2204;2987:2988	Marsala/Samos/Muscat de Lemnos	16.7	16.0	15.4
2204;2989	Port	13.1	12.6	12.1
2204;2991:2992	Madeira/Sebutal muscatel/Sherry	13.1	12.6	12.1
2204;2993	Tokay	14.2	13.6	13.1
2204;2994	Other	16.7	15.9	15.4

See next page.

Continuation of Table 9: EU Wine tariff rates (in Ecu per hl)

	>18 but #22% vol			
2204;2995	Port	14.2	13.6	13.1
2204;2996	Madeira/Sherry/Setubal muscatel	14.2	13.6	3.1
2204;2997	Tokay	15.4	14.8	14.2
2204;2998	Other	22.6	21.7	20.9
2204;2999	Wine >22% vol	1.90 Ecu/ % vol/hl	1.8 Ecu/ % vol/hl	1.75 Ecu/ % vol/hl
2204;3010	Other grape must in fermentation	34.7%	33.3%	32%
2204;3092:3098	Grape must not in fermentation	(1)	(1)	22.4%+131 Ecu/hl +206 Ecu/hl
2205;1010	Vermouth #18% vol, #2 liters	12.9	11.9	10.9
2205;1090	Vermouth >18% vol, #2 liters	1.1 Ecu/% vol/hl+7.6	1.0 Ecu/% vol/hl + 7.0	0.9 Ecu/% vol/hl + 6.4
2205;9010	Vermouth #18% vol, >2 liters	10.7	9.8	9.0
2205;9090	Vermouth >18% vol, >2 liters	1.1 Ecu/ % vol/hl	1.0 Ecu/ % vol/hl	0.9 Ecu/ % vol/hl

(1) Varies according to entry price per hl.

Source: FAS/Bonn based on Official Journal of the European Communities, L312 and FAS calculation.