Wine co-operatives of 
Bordeaux Area:

Environmental practices, labels and competitiveness

Véronique Saint-Ges,
veronique.saint-ges@bordeaux.inra.fr

Marie-Claude Bélis-Bergouignan,
belis@u-bordeaux4.fr
**Context:**

- **Strong demand of a more environmental friendly agriculture**
  - But for Wine Consumers: it is not well identified (Wine is a product of “terroir” associated with a natural image)
  - And for Wine Producers Regulation is more and more complex

- **Double issue for wine sector:**
  - Remain Competitive
  - Be in accordance to regulation: Investments in environmental innovations costs and specific competences
Aims of the communication

- Try to identify levers and brakes for environmentally friendly wines
  - Taking into account the environmental practices and wine cooperative
    - And
  - The relation between competitiveness and environmental labels
Diversity of Environmental practices
Wine cooperatives of Bordeaux

<table>
<thead>
<tr>
<th>Actors interviewed</th>
<th>Commitment and Comments</th>
<th>Instruments used</th>
<th>Environmental Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>10- Cooperatives</td>
<td>Desire of progress, especially in process and product quality</td>
<td>Norm: Iso 14 000 (1)</td>
<td>Cellar:</td>
</tr>
<tr>
<td>involved in</td>
<td>Good managerial practices</td>
<td>Label: Agri Confiance® (10):</td>
<td>Wine effluent treatment (+)</td>
</tr>
<tr>
<td>environmental</td>
<td>Getting competitive advantages</td>
<td>Progressive Cooperative Product</td>
<td>Water consumption (-)</td>
</tr>
<tr>
<td>practices</td>
<td>Anticipating the demand</td>
<td></td>
<td>Energy consumption (-)</td>
</tr>
<tr>
<td></td>
<td>Ecological motives (via learning)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Numerous Environmental label</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Bio, Reasoned Agriculture, private label or brand)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1: The diversity of environmental practices
A qualitative diagnosis:

- Diversity of wine cooperatives and producers environmental practices,
- Numerous labels (Reasoned Agriculture, “Agriculture Bio”, Private brand),
- Agri – Confiance®: Cooperative specific product label
- Main obstacles / or competitive advantages,
- Perception of market opportunities
Competitiveness
And environmental practices
### Table 2: Performance and environmental label and practices

<table>
<thead>
<tr>
<th>Turnover (€)/hl And Environmental Label</th>
<th>No Label</th>
<th>Label</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minus 175</td>
<td>59,6% (28)</td>
<td>8,5% (4)</td>
<td>68,1% (32)</td>
</tr>
<tr>
<td>175 - &lt; 270</td>
<td>8,5% (4)</td>
<td>6,4% (3)</td>
<td>14,9% (7)</td>
</tr>
<tr>
<td>270 - &lt; 370</td>
<td>8,5% (4)</td>
<td>0,0% (0)</td>
<td>8,5% (4)</td>
</tr>
<tr>
<td>370 - &lt; 470</td>
<td>4,3% (2)</td>
<td>0,0% (0)</td>
<td>4,3% (2)</td>
</tr>
<tr>
<td>470 - &lt; 650</td>
<td>0,0% (0)</td>
<td>2,1% (1)</td>
<td>2,1% (1)</td>
</tr>
<tr>
<td>650 and +</td>
<td>2,1% (1)</td>
<td>0,0% (0)</td>
<td>2,1% (1)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>83,0% (39)</td>
<td>17,0% (8)</td>
<td></td>
</tr>
</tbody>
</table>
Today:
- **Environmental practices and label are not determinant factors in competitiveness**
  - Market of environmentally friendly wine is small (3%) and uncertain
  - Consumers react in descending order of importance to price, colour, grape variety and AOC, private brand
  - Majority of wine cooperatives (77%) produce Bordeaux and Bordeaux Sup AOC
  - More competitive wine cooperatives are localized in famous area (Saint-Emilion, Médoc)

But:
- **Agri-Confiance® provide an adapted framework to ensure achievement of environmental practices in wine cooperatives**
- **Implication of wine cooperatives in environmental practices is appeared few years ago.**
Involvement to environmental practices is correlated with 2 factors: knowledge base and cost

- Quality employees induce environmental practices and collective learning
- Expensive investments are realized when the regulation pressure is too high

Towards a more friendly environmentally production:

- Collective management of the environmental practices by cooperative reduce the uncertainty and cost
- An informational and collective cognitive device
- Reduction of uncertainties concerning the definition of products and their attributes (interoperability of the products on national and international markets)
• Thanks for your attention