## Bordeaux 2016 Abstract Submission

### Title
The wine industry in Spain: the case of Castilla y León

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### Keywords
Wine industry, agrofood sector, territory, local/rural development,

### Research Question
What is the nature of the performance of the wine subsector in the region of Castilla and Leon over the recent years, with particular reference to exports.

### Methods
Sectoral and territorial comparative analysis of the agrofood and wine industries. Examination of the evolution of the most significant variables in wine sector in Spain and Castilla y León.

### Results
The dynamic performance of wine industry in Spain and Castilla y León, with an increasing export orientation. The relevance of Origin Designations as an element for internationalization and territorial development.

### Abstract
The agrofood industry is one of the main branches of the Spanish manufacturing sector, both in terms of Gross Value Added, production and employment. However, its relevance is uneven across the national territory, reaching a special significance certain regions, such as Andalusia, Catalonia and Castile y León; in this last Autonomous Community the sector appears at the same time as a basic pillar of manufacturing growth, and as an invaluable element of territorial development, by the fact to maintaining multiple processes of rural / local development in progress.

Within the agrofood industry, one of its strategic subsectors is undoubtedly the wine branch, whose remarkable dynamism in recent years, at regional and national level, has placed Spain at the head of the ranking of exporting countries, ahead of France and Italy in exports in volume. Some regions such as Castilla-La Mancha, La Rioja, Catalonia, Valencia, the Basque Country and Castilla y León are contributing to this fact in a particularly intense way, with an increasing export orientation.

The main objective of this work is to reflect the performance of the wine subsector in the region of Castilla and Leon over the recent years. In this sense, it is interesting to consider the analysis from early twenty-first century, trying to examine the evolution both during the stage of economic growth until 2007, and during the subsequent
phase of severe economic crisis.

For this purpose, the work has been divided into three sections. The first section highlights, as a backdrop, the relevance of the agrofood industry at the national and Castilian-Leon contexts; in this sense, a brief characterization of the sector in the region is offered.

Within the Spanish industrial landscape, the agrofood industry is one of the key sectors, both from the point of view of employment generation (showing a particular strength in the last years of crisis), and in relation to other multiple variables, such as the number of enterprises, the turnover, the investment in tangible assets, the amount of staff costs or the added value. This circumstance is visible in Castile and Leon: within its polarized industrial context, the food industry occupies a prominent place, along with the branches of transport equipment, metal products manufacturing and extractive and energetic industries. A polarization also identifiable at the provincial level, with Valladolid and Burgos as the main manufacturing provinces, accompanied, in the case of the agrofood industry, by the provinces of León and Salamanca.

The second section examines the situation of the Spanish wine industry. This branch is one of the main activities of the Spanish agrofood industry, due to the economic and social importance of viticulture and also because of its wide geographic dispersion, with presence in many rural municipalities, some of whom setting up local production systems, often related to the production of quality wines with strong links to the territory. This importance is reflected in its impact on the food trade balance, thanks to its growing export orientation, amid falling demand per capita consumption of wine (in strong competition with beer), accentuated by the crisis economic.

In this sense, strategies that Spanish wine companies are starring in an increasingly global stage, are particularly important. These strategies are conditioned by the changes linked to the European rules of the Common Market Organisation (CMO) for wine, which involved, among other things, the inability to allocate public support to wine distillation or production of musts (especially affecting great cooperatives), or the boot of large areas of vineyard. It is important to note that companies are mainly of domestic origin, as the penetration of foreign operators is much lower than in other manufacturing and food branches. Their size is variable, having set an important group of effective and diversified medium enterprises, producing both wine with a geographical designation and economic wines with an acceptable quality, increasingly related to: exports, the rise of new products (such as organic wines, no alcohol and low alcohol or wine-based drinks), the link wine-gastronomy and enotourism development.

The third section analyzes the case of the wine industry in Castilla y León, emphasizing its export potential and, therefore, its role as an element of territorial development, with special projection in some local productive systems of the region.

Castilla y León concentrated approximately 7% of the total area of vineyards in Spain, ranking fourth after Castilla-La Mancha, Extremadura and Comunidad Valenciana. Although Castilla y León is still eminently a cereal producer, from the point of view of agriculture, favorable developments in the wine industry in recent decades have placed the region in a privileged place within the Spanish wine context. The proliferation of wineries with both red and white wines, covered by a dozen of protected designations of origin, is the clearest manifestation of this dynamism. Some of them, such as Ribera del Duero, Rueda and Toro, are among the most prestigious at national level, with an increasing presence in foreign markets in a growing number of countries. Their success and their territorial roots, as an exponent of local development initiatives are undoubtedly transcendental, in order to fix rural population in a region with a worrying high degree of demographic aging.