

Abstract.

Russo-Ukrainian war and its influence on Wine industry.

Problematization.

Talking about war, especially when the state you live in is the instigator of the conflict is not easy. However, the echoes of the war seriously affected the wine industry and I believe that this is important to record everything what is happening at the moment with the industry. Undoubtedly, the most difficult things are happening in Ukraine right now, however the consequences of the war somehow affected everyone who is working in the industry – in Ukraine, in Europe, in Russia and Belarus and in many other countries. The Thesis is addressing the following question *“How the war affected the wine business, which problems challenged the industry professionals (i.g. winemakers, sommeliers, wine trading companies, etc.) and which solutions were found to these challenges?”*

Study approach.

The research was based on the published opinions, news, interviews with wine producers (which are not to be published or mentioned in the Thesis on the purposes of confidentiality), Russian custom statistics (which gives the exact figures, names and prices), attending the professional events and forums and original research. The main important resource that was used is my personal experience as a purchasing manager working with European market in one of the biggest Russian wine retailers. In this Thesis no names of producers are mentioned as I fully understand the risk for their business in this situation.

Content.

The Thesis consists of 3 main Chapters. First one describes which sanctions directly or indirectly changed the industry. What have changed to the wine world in different parts of the world and how business reacted to these changes. Observations were made based on my personal communication with the management of different wine productions in Europe. The Chapter 2 describes how did the Russian wine market changed and how these changes affecting the export from Europe and from other countries. The analysis made based on the custom statistics for years 2021/2022. The Chapter 3 gives a prognosis for the future of the industry from different points of view.

Findings.

The year of 2022 was tough for business in many aspects. The international relations which were building for decades were destroyed in a second. The fact that the war in 21 century is a horrible thing which brings suffering and deaths and should've been solved by negotiations is not disputed in this Thesis. However, outside of the Ukraine people are just trying to continue to live their lives, develop their business and pray for a happier future for their children. The challenges that wine industry faced in 2022 and 2023 are unprecedented – highest inflation rate since 80th, gas raising prices and energy shortage, loss or shortage of stable markets, destroyed international business relations. However, as every crisis this one brought new opportunities – for instance, for many new small wine producers from Europe who decided to come to Russian market during the stable Ruble time in Summer 2022, or for South African wine producers who've started to replace New Zealand wines while New Zealand decided to completely ban Russian market or for many wine producers who re-oriented their distribution from Russia to other countries to not support the murdering of the people in Ukraine. All these decisions that were made this year formed the situation in the industry that has developed today and which is described in details in the Thesis from different sides and aspects.

Conclusion.

While the war continues for more than one and a half year already and no doubts, the most difficult and terrible things are happening in the heart of the conflict, people outside are trying to live their lives. It's

been a tough time for business and for the wine industry in particular, however the crisis is always giving new approaches and solutions and this year showed us how adaptive to new challenges the business could be. Next years will certainly be no easier as by Spring 2023 there are no prerequisites that the conflict will end soon, and the challenges are going to be even bigger next years, however from my personal point of view I'm sure that business will find new opportunities. I only hope that the war would stop as soon as it possible.

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