

<https://blog.en.erste-am.com/organic-wine/>

How organic is the vineyard?

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Everybody is talking about organic wine. Commercials claim it is better for the environment, because the conservation-minded way of handling nature safeguards the habitat of a diverse range of organisms. The year-round revegetation that is customary in organic agriculture and the build-up of top soil allows for the binding of larger amounts of carbon dioxide. According to this information provided by [BIO-AUSTRIA](#), then, each bottle of organic wine consumed is beneficial to the environment. Austria is also among the top producers in Europe in terms of organic agriculture.

Vienna: twice as many organic vineyards as in Lower Austria

According to a study by the Austrian Federal Ministry of Sustainability and Tourism, the share of organic agriculture in Austria has increased by 20% in the past ten years; it accounted for about 20% of the enterprises and 24% of cultivated area, respectively, in 2017. This means that every fifth enterprise is run organically.

The area of organic vineyards has also increased continuously since 2000 in Austria, growing by 10% both in 2016 and 2017. In total, 14% of all vineyards are run organically in Austria. At 23%, the share in Vienna is twice as high as in Lower Austria and three times as high as in Styria. According to the Vienna Chamber of Commerce, this growth is mainly due to the strongly growing degree of regional marketing, given that direct marketing in combination with organic business practices represents the socially and environmentally most agreeable form of marketing.

Smaller grapes, more aroma

The idea of organic viticulture is to take synthetic pesticides out of the cycle and instead introduce beneficial organisms and support the strength of the plants through the use of herbal and compost extracts. According to BIO-AUSTRIA, these measures are meant to improve the vitality of the vines and the quality of the wine. The use of year-round revegetation creates competition for nutrients and water, as a result of which the grapes are smaller but hold more aroma.

Organic and conventional wines differ in pricing especially if wines of different quality, provenance, or grape are being compared to each other. If external costs created by the impact on the environment were to be taken into consideration, organic wines would actually be cheaper still. Potential externalities are damages caused by flooding, soil erosion, or environmental pollution. Polluted soil is not only less fertile, but also drier and can therefore not absorb the same amount of rain water.

One critical issue, however, in certified organic viticulture is the use of copper and sulphuric solutions in an effort to fight or example mildew. Biodynamic cultivation applies even stricter thresholds and tries to promote exclusively natural processes.

Biodynamic viticulture at Austria's oldest vineyard

Nikolaihof in the Wachau region is the oldest vineyard of Austria with a history of almost 2000 years. The vintners apply the anthroposophical teachings of Rudolf Steiner, producing Riesling and Grüner Veltliner on 22 hectares according to strict biodynamic Demeter guidelines. Instead of synthetic pesticides, they employ liquid nettle manure, valerian drops, or horsetail tea. Wines are stored up to 20 years so as to give them ample time for development. It is the basic principle of biodynamic cultivation to influence nature as little as possible in order to instil the wine with a maximum amount of power and energy.

Read more articles from this issue of our ESG letter [here](#).

*ESG stands for Environmental, Social and Governance" – These are the three broad categories according to which companies are examined in sustainable investment.

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