

# Conference N°1



## Securing recognition for Ningxia as a high quality wine region

After several decades of growth, Ningxia has reached a turning point and needs to develop its own USP in order to sustain continued growth and ensure its wines can be sold at a premium thereby generating higher revenues for its producers. Master of Wine Pedro Ballesteros Torres offered advice on how to build a high quality wine region.

In the wine world, uniqueness hinges on terroir but is terroir a precondition or the result of a high quality wine region? A glance back over the history of wine growing worldwide offers some clues. Originally a luxury, drunk only by the select few including the pharaohs of Egypt, high quality wine as we know it is therefore a relatively recent phenomenon.

Over the centuries, numerous examples have demonstrated that just as wine regions can rise to the pinnacle of success, so can they fall victim to a combination of factors, and decline. Citing regions such as the Canary Islands, after which an entire wharf was named in London such was the prestige of the wines being unloaded there; Falerno – the preferred tippable of Antiquity – and the vineyards grown along the sandy soils of the Nile itself, Pedro Ballesteros pointed out the pivotal role played by people in the ebb and flow of a wine region's reputation, stressing "the terroir is still the same".

To emphasise his point further, he offered examples from history of entirely 'man-made' wine regions: "The Médoc

was originally marshlands, dried by the Dutch – this is very different to the perception of natural conditions conducive to wine growing". The same is true of the terraced vineyards of the Douro – brought to life by the use of dynamite – and regions such as Rioja, Barolo and Brunello di Montalcino which would not have existed were it not for pioneers such as the Marques de Riscal and Biondi Santi.

### Six essential conditions

Modern-day equivalents, such as Virginia in the United States and the Greek island of Santorini, reveal that the same drivers are still very much at work, heralding a potentially bright future for Ningxia, provided some key requirements are met. "A quality wine region is closely associated to economic and political power", claimed Ballesteros, adding: "It never develops naturally; there is always a leader like Penfolds in Australia or the Marquis of Pombal in the Douro". Another prerequisite is clarity in land and property rules, guaranteeing long-term security for investments. Infrastructure, too, needs to be able to promote the development of trade and thereby the



sustainability of a wine region. Again, Ballesteros supported his assertion with examples from the past – the train in Rioja and Bordeaux with its port. Stressing the need for research and innovation – “tradition heralds the death of a wine region” – his final condition for a successful high quality wine region was recognition from abroad: the US needed the Judgment of Paris, Champagne the Russians and the Rheingau the UK, he said. “When all these conditions are united, it leads to the ability to know the terroir. Terroir is the result of these conditions”.

## Interview

*Q1: Being an authority on the Spanish wine industry, do you see any similarities or differences between Spain, one of the most important wine-producing countries and certainly the largest grape growing country in the world, and China, a nascent but fast developing “New World” of wines?*

**PB:** I see many similarities and as many differences as well. What is most similar is the quest, both in China and in Spain, for high quality wines that represent their respective landscapes, peoples and history. The differences are then huge: different climates, different soils, different market approaches and structures, different governances....But the main similarity is much more relevant than any difference: indeed, what is common to all real wine lovers is the active defence of diversity.

*Q2: Can you please identify some of the areas that Chinese wineries and the industry in general need to improve on? (such as selection of grape varieties, wine promotion and marketing, wine education and etc)*

**PB:** Grape varieties are definitely a key point for China. I think that China needs a relevant effort to research existing and new grape varieties that are really adapted to Chinese climates. Only by having the adequate genetic material, which by definition cannot be French or international, would China get in the league of top fine wine countries.

Education is also an important point, but I’m quite sceptical about following Western education models

only. China needs to define and develop their own wine culture, provided it is a real culture. Wine can be enjoyed in myriad ways, many more than those pursued by the western world.

*Q3: Many “New World” wine countries such as Australia and America versus “Old World” wine countries such as France have rather different appellation of origin systems. While Burgundy is famously known for its countless climats, American wine regions are conveniently indicated by both political as well as geographical boundaries via AVAs. Why do you think there are such differences and how this may affect regional performances in markets?*

**BP:** Differences between New World and Old World indications of origin are due to political and historical reasons, not to genuine quality factors. It is up to each country to apply their own strategies, provided they respect the others’ and they do not allow fraud. Then it is up to customers to reward one system or the other. Having said this, I think it is definitely a better option to protect the names of origin in all countries; this is something genuinely associated with territories. As soon as a country gets decent wines, it becomes interested in protecting its names. Only those with mediocre quality use fake names. The New World got intensely active in creating indications of origin as soon as the quality of their wines improved. This is the tendency also in China, where Ningxia and other prestigious names are fiercely protected now.