

Senator the Hon Murray Watt
PO Box 310
Southport Business Centre, QLD 4215
minister.watt@aph.gov.au

12 January 2023

Dear Senator Watt,

RE: GI protection in the Australia-EU Free Trade Agreement

We write to you as the [REDACTED], the peak body representing more than 800 businesses and over \$500m in farm-gate value, encompassing the grape-growers, winemakers and tourism providers of one of Australia's most valuable wine and wine tourism regions – [REDACTED]

We write to convey our deep concern at the European Union's persistent advocacy for greater geographical indication (GI) protection which conflicts with internationally recognised common wine grape variety names, including its efforts through the Australia-EU Free Trade Agreement negotiations to ban Australian producers from use of the grape variety name Prosecco.

We are even more concerned, should the EU succeed in gaining GI recognition for Prosecco in Australia, that it will expand protectionist actions to pursue exclusive use of a range of other common grape variety names for which McLaren Vale is increasingly known, as has been witnessed in its recent trade negotiations with other countries, and indeed within the EU itself.

As you would be aware the Chinese imposition of wine duties on Australian producers in 2020 has had a significant impact on our industry, changing the global demand for Australian red wine and resulting in an oversupply amidst very tough trading conditions. Shiraz and Cabernet Sauvignon - the red grapes and wine currently most in oversupply - are the traditional foundation of [REDACTED], and our production of these premium and ultra-premium wines since the late 1800s has brought significant economic benefit and prestige to the Australian and South Australian economies.

Given our favourable climate and coastal locale, over the past twenty years our region has also developed a global reputation for excellence in the cultivation of grape varieties of Mediterranean origin which are climactically suited to our region Nero d'Avola, Montepulciano, Vermentino, Fiano, Tempranillo and Sangiovese. This global reputation is vital in providing our grape and wine producers with greater opportunities to diversify their market offering and generate sales, particularly under the current trading conditions.

If the EU were to succeed in gaining exclusive use of names of common grape varieties this would significantly disadvantage our region and the broader Australian wine industry's ability to innovate, develop and premiumise our products, particularly for global markets.

The Australian wine industry has voiced its support for the continuation of the terms of the existing Australia-EU wine agreement, enabling Australian producers to grow and market commonly-named grape varieties and wines. [REDACTED] urges the Australian Government to consider carefully the impacts of any proposals for change in the status quo, and ensure that any proposal for change be based on highly compelling and objective evidence, informed by the views of the wine industry, and not disadvantage this vital agricultural sector.

[REDACTED]

The wine industry is a significant contributor to the South Australian economy, and is one of its top export sectors. A change in our ability to sell and market a range of common grape and wine varieties presents a significant economic risk to the South Australian, and broader Australian wine industry, including investment, tourism and direct employment, which could have dramatic flow on impacts throughout the supply chain.

██████████ calls on the Australian Government to continue its longstanding commitment to open and rules-based international trade and to continue to stand for the Australian wine industry's right to use common grape names in the development and marketing of our premium products, therefore protecting the future development and prosperity of our industry.

Sincerely,



McLaren Vale Grape Wine & Tourism Association

P: +61 8 8323 8999

W: www.mclarenvale.info

E: info@mclarenvale.info