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MEDIA RELEASE

Free trade with Indonesia to support a future wine growth prospect

Australian Grape & Wine congratulates the Australian Government on the announcement of Indonesia's ratification of the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), allowing it to commence on 5 July 2020.

Australian Grape & Wine Chief Executive, Tony Battaglione said "The Australian wine sector relies on export opportunities to provide strong, sustained growth and a profitable future for regional Australia. Free Trade Agreements are not just about direct commercial benefit to a particular sector. They are about increasing the economic health of Australia and in the midst of the COVID-19 crisis, trade liberalisation has never been so important to boost employment and business health."

"Australia requires a strong and diversified export wine sector to provide lasting economic benefits and this agreement is an important piece in strengthening our networks with major trading partners."

While Australian wine exports to Indonesia are still relatively small at a value of around \$14 million to March 2020, the market has shown sustained growth in both volume and value. For Australian wine it has delivered a five year compound annual growth in value of 32%, this coupled with the fact that Indonesia is forecast to be in the world's top 5 economies by 2050 make Indonesia an important one for the future.

"Growing Australia's exports is essential to Australia's economic recovery from the COVID-19. IA-CEPA will build resilience and profitability into our agriculture sector and underpin future economic growth".

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Media Contact: Lee McLean, 0418 998 749 / lee@agw.org.au

Media Contact: Ali Laslett, 0424 135 381 / ali@agw.org.au

Available for Interview: Tony Battaglione, Chief Executive – 0413 014 807 / tony@agw.org.au

About Australian Grape and Wine Inc

Australian Grape and Wine Inc is the national association of grape and wine producers. We address issues across the supply-chain that impact on the profitability and sustainability of the sector. We lead and advocate public policy that enhances the ability to responsibly produce, promote and enjoy Australian wine in moderation.

Australian Grape and Wine Inc is recognised as a representative organisation for winegrape and wine producers under the Wine Australia Act 2013, and is incorporated under the SA Associations Incorporation Act 1985. We work in partnership with the Australian Government to develop and implement policy that is in the best interests of winegrape growers and winemakers across Australia.