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Good things come in threes, as Peru, Hong Kong and Indonesia FTA's are approved

Australian Grape and Wine Incorporated (Australian Grape & Wine) today welcomed the Australian Parliament's passing of Free Trade Agreements (FTAs) with Peru, Hong Kong and Indonesia.

The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) and the Australia-Hong Kong Free Trade Agreement (A-HKFTA) initiated in March 2019, and the Peru-Australia Free Trade Agreement (PAFTA) initiated in February 2018 are now all expected to enter into force early in the new year to enable Australian businesses to begin to take advantage of their benefits.

Australian Grape & Wine, Chief Executive, Tony Battaglone said "The Australian wine sector is extremely supportive of trade liberalisation and progressing these three FTAs presents a range of direct and indirect opportunities for the sector."

"The three trade agreements provide a strategic foothold in the growth regions of South East Asia and South America. Australian wine businesses will also benefit from the inclusion of a specific wine Annex in both the PAFTA and the A-HKFTA which helps to streamline technical requirements, including labelling and certification."

"It is great to see Free Trade Agreements incorporating technical wine related provisions. These provisions go a long way towards providing greater certainty of market access and reducing the cost of doing business" said Mr. Battaglone.

Australian wine businesses exported more than \$100 million worth of wine to Hong Kong in 2018/19 and maintained a strong market share at high price points, particularly for red wines. While Australian wine exports to Indonesia (\$7.2million) and Peru (\$80,000) are much smaller in volume, they remain at higher price points with Peru growing to over \$15 per litre over the same period.

"The FTAs with Indonesia and Peru will open up their markets for wine trade and provide a platform for small and medium wine companies to explore niche markets and diversify their offerings" said Mr. Battaglone.

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