

Australian wine to blossom in Japan

Today's signing of a Japan Australia Economic Partnership Agreement (JAPEPA) by Prime Ministers Shinzo Abe and Tony Abbot opens the door for increasing wine exports.

Winemakers' Federation of Australia Strategy & International Affairs General Manager Tony Battaglione said the agreement was good news for the Australian wine industry.

"Resolving the trade agreement with Japan is about developing export opportunities and giving wine a step-up in the evolving Japanese market," Mr Battaglione said.

"We congratulate the Australian Government for pursuing an ambitious and aggressive trade agenda and in particular the Minister for Trade and Investment Andrew Robb for his focus and hard work," he said.

"The Japanese market shows great potential for Australia's wine exports.

"Currently our sixth largest market by value and volume, wine consumption there is growing rapidly as the younger generation moves away from traditional products to wines.

"We are expecting to see strong growth in sparkling and still grape wines, with targeted sales of middle-to-premium Australian wine brands.

"Just look at our major competitors such as Chile which enjoyed significant increases in market share in Japan after completion of its Free Trade Agreement in 2007. Australia now has the opportunity to follow suit."

The agreement will provide valuable preferential access for Australia's exports, with the elimination of a 15% import tariff to include bottled, sparkling and bulk wine over seven years.

"The agreement with Japan is a good outcome for Australia's wine sector, building on the positives from the Australia-Korea Free Trade Agreement," said Mr Battaglione.

"We look forward to ongoing discussions to open up further trade possibilities including with China."

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