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MEDIA RELEASE

Positive outlook for Australian wine industry as China initiates import duty review

Australian Grape & Wine CEO, Mr Lee McLean welcomes today's significant announcement by the Prime Minister that China has agreed to expedite a review of its wine import duties.

"This is another very positive step towards the removal of import duties on wine that would see the resumption of Australian wine exports to China," said Mr McLean.

"It has been a very difficult time for Australia's grape growers and wine producers in recent years following the loss of China as our major trading partner, the global pandemic and various weather events, so this is very welcome news for grape growers and winemakers across the country.

"The review process by the Chinese Government is expected to take five months and Australian Grape & Wine will engage in and support that process in any way we can. We understand Australia will suspend the wine dispute in the World Trade Organisation pending the outcome of this review.

Australian Grape & Wine President Mr John Hart OAM and Mr McLean visited Shanghai last week and met with the Chinese Alcoholic Drinks Association to discuss common objectives and significant opportunities for the two industries to collaborate in the future.

"The re-engagement with China at the political, government officials and industry-to-industry levels has enabled the positive dialogue that has led to this decision," said Mr McLean. "We have said from the beginning that dialogue between the parties would be critical to resolving this dispute, and we have taken a major step towards this today."

"Australian Grape & Wine has worked closely with the Australian Government and the Department of Foreign Affairs and Trade over recent years to foster a mutually beneficial solution that advances the interests both Australia and China. We acknowledge the work of ministers and officials in rebalancing the relationship with China, facilitating the resumption of trade in commodities such as coal, timber, barley and hay.

"China holds a pivotal position in the global wine market for Australia. Before the imposition of import duties, the value of Australian wine exports to China was \$1.2 billion. Regardless of the outcome, we remain committed to diversifying our market presence and cultivating opportunities in markets across the world."

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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 & Wine 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.