

Australian Grape and Wine Inc Board Communique (held virtually) Tuesday 20 February 2024

The Board of Australian Grape and Wine Incorporated (AGW) met virtually on Tuesday 20 February 2024. The Board noted grape and wine businesses are facing the most difficult commercial conditions in living memory and reaffirmed its commitment to lead our sector's engagement with the Australian Government and other stakeholders to help alleviate these pressures.

During the meeting, among other things, the Board:

- recognised the feedback provided on the One Grape and Wine Sector Plan, noting that Australian Grape &
 Wine must lead the process of incorporating comments, using clearer language. The Board also noted that
 the final plan should include greater clarity with regards to short, medium and long-term priorities, and an
 improved emphasis on explaining the purpose of the plan. This work is to be expedited and delivered prior
 to mid-year.
- noted that AGW's Pre Budget Submission (PBS) to the Australian Government was submitted in late 2023
 and is now being circulated and discussed across the Australian Parliament. The PBS, which includes
 proposals for government investment to address supply-side concerns, while also growing demand in
 Australia and overseas, is designed to help address the current challenges facing the sector, while also
 aligning with the Australian Government's policy priorities.
- received a briefing from the AGW Executive in relation to a range of trade and market access issues, including the Chinese Government's review of import duties on Australian wine. It noted the five-month review process is due to conclude on 31 March 2024.
- discussed the raft of alcohol labelling issues being contemplated by Food Standards Australia New Zealand (FSANZ), including those relating to Energy Labelling, health claims and added-sugars. The Board asked that the efforts to engage with policy-makers and FSANZ on these issues continue to ensure outcomes reflect commercial realities and are not unduly costly, or administratively burdensome, especially given the current trading environment.
- noted the review of Australia's levies system for wine would soon commence, with research and stakeholder engagement to be undertaken as an initial step.
- noted the raft of competition issues along the supply chain being contemplated by industry and
 government. It agreed to explore the possibility of incorporating wine into the Food and Grocery Code of
 Conduct (a submission has been made to this process). It also asked the AGW Executive to contact those
 larger companies that are not signatories to the Code of Conduct for Australian Winegrape Purchases to
 encourage them to do so.
- received a briefing in relation to biosecurity issues such as Red Blotch and Crown Gall, with the risks associated with the latter example increasing. The Board requested that the AGW Executive approach Wine Australia and request that they prioritise this issue, and potentially invest in an information campaign, or assist with determining an effective response.

Lee McLean Chief Executive 1 March 2024