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MEDIA RELEASE

Australian Wine Secures Market Access in EU Deal while Prosecco exports lose their fizz

Australian Grape & Wine has welcomed key elements of the Australia–European Union Free Trade Agreement, including the removal of tariffs on Australian wine exports to EU member states, while noting significant implications for producers exporting Australian Prosecco.

Under the agreement, Australian wine exported to the European Union will receive zero tariff treatment upon entry into force, delivering an estimated AUD \$14.5 million per year in tariff savings.

Chief Executive of Australian Grape & Wine, Mr Lee McLean, said the tariff outcome was a commercially meaningful result for the sector.

“The removal of tariffs on Australian wine entering the EU is good news for our exporters and for the long-term competitiveness of Australian wine in a major global market.

Europe remains Australia’s largest export region by volume. In 2025 alone, 245 Australian wine exporters shipped 76 million litres of wine valued at \$143 million to EU member markets.”

The agreement also confirms that Australian producers will retain the right to use the term “Prosecco” as a grape variety in the Australian market.

“The Government has successfully negotiated the retention of the name Prosecco for use in Australia’s domestic market. That provides certainty for a domestic prosecco market worth in the order of \$200 million per year.”

However, under the agreement Australian producers will no longer be able to export Australian Prosecco, following a ten-year phase out period.

“We continue to maintain that Prosecco is a grape variety and that efforts to restrict its use are nothing more than protectionist measures used to distort trade to the advantage of EU producers. This is clearly a blow for those Australian producers who currently export Australian Prosecco, who will need to transition to an alternative term for export markets.

“Encouragingly, we understand the agreement helps safeguard Australian producers’ ability to use established grape variety names, including those that may face future GI claims - avoiding a repeat of the prolonged uncertainty experienced by Prosecco producers.”

For those producers impacted, the task now is to ensure a smooth transition with appropriate support. We will be engaging with Government on what assistance may be required to support export-focused Prosecco producers as they adapt.”

ENDS



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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.

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.

Background

- In 2025, 245 Australian wine exporters shipped 76 million litres of wine valued at \$143 million to EU member markets, representing 12 per cent of total export volume and 6 per cent of export value (Wine Australia).
- Denmark (up 1 per cent to \$28 million) and the Netherlands (up 7 per cent to \$21 million) were key markets of growth in 2025 (Wine Australia).
- The EU consumes approximately half of global wine production, though more than 90 per cent of wine consumed is produced within the bloc (IWSR).
- EU wine import volumes from non-EU sources declined by 6 per cent in the 12 months to September 2025 (Trade Data Monitor).
- The domestic Australian prosecco market is valued at approximately \$200 million per year.