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New Zealand

Wine Annual

NEW ZEALAND WINE SECTOR ANNUAL REPORT 2014

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Report Highlights:

A forecast record grape crop at 355,000 MT for 2014 (up three percent) should produce 256 million liters of wine which should result in a record 195 million liters being exported in 2014.



Executive Summary

There is a good chance the grape harvest in 2014 will surpass the record 345,000 metric tons (MT) picked in 2013. A forecast grape crop at 355,000 MT for 2014 (up three percent) is primarily the result of favorable growing conditions over the last eighteen months, and to a lesser degree a small increase in growing area (approximately 200ha).

The 2014 harvest should produce 256 million liters of wine which will be three percent above the 2013 vintage. Sauvignon Blanc grapes remain the mainstay of the NZ acreage. They comprised 58% of the 35,733 hectares (ha) of production area and 68% of grape production in 2013.

Bulk wine sales have been contentious in the past but don't appear to be as harmful to the sector's overall revenue as some have conjectured. In 2013 28% of total exports were shipped in bulk, down from 33% in 2011. The proportion may edge up again in 2014 with the bigger vintage.

Total demand for wine in New Zealand is estimated at 287 million liters in 2014, with 195 million liters being exported and 92 million liters being consumed domestically. Imports are forecast to supply 40 million liters to the domestic market total. Imports and domestic production are forecast to supply a total of 295.6 million liters, which balances the total demand number nicely. Stocks are hovering around 50% of the succeeding years' demand and export prices have been slowly rising for three years. The suggestion is export demand is solid and stocks are at a comfortable level.

Exports in 2013 were 175.8 million liters, down just 0.35% from 2012, but up by four percent in value terms. Australia is still the number one market for New Zealand wine exports and has shown steady rates of growth over the last two years. However, exports to the US are now number two by value. Following a concerted marketing effort by the sector in North America there has been significant growth both in terms of volume and value.

It is expected imports will stabilize at 40 million liters in 2014. There has been some substitution of higher priced domestically produced wine for cheaper imports over the last three years. Post is expecting this trend to slow down in 2014 as the domestic economy picks up and consumers are feeling more prosperous.

There have been no significant changes to Government policies with regard to wine import regulations during 2013. The Customs and Excise Act is up for review this year. Excise tax effects all wine sales so there may be changes to the costs for sellers of wine in the future.

Note: when a year i.e. "2013" is referred to, it is the calendar year and the growing season which spans two calendar years, September through to April, is shown as "2013/2014"

Vineyard & Winery production

2014

The total grape crop for 2014 is now estimated at 355,000 metric tons (MT), a forecast three percent increase. Not only has this crop benefited from generally favorable growing conditions in most regions but the potential for a large crop load was created by the good weather back in late 2012. So high was the crop load in some Marlborough vineyards that fifty percent or more of the grape bunches had to be thinned off, during January 2014, to maintain quality.

No official producing area for 2014 is available yet, but it is thought that there is enough additional planting of a productive age to reach 36,000 hectares (ha). As the fortunes of the sector have picked up over the last two years significant new planting has occurred but most of this will not be contributing meaningfully to the national grape crop this year. Continued new planting is likely while the wineries are looking for additional supplies and the grape price holds up.

Total wine production for 2014 is forecast at 256 million liters which would be three percent above the total for 2013.

NEW ZEALAND PRODUCING VINEYARD AREA BY GRAPE VARIETY									
(Hectares)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sauvignon Blanc	7277	8860	10491	13988	16205	16910	16758	20270	20429
Chardonnay	3804	3779	3918	3881	3911	3865	3823	3229	3253
Riesling	811	853	868	917	979	986	993	770	796
Pinot Gris	489	762	1146	1383	1501	1763	1725	2485	2477
Other White Varieties								509	505
Sub-Total White Area								27263	27460
Pinot Noir	3757	4063	4441	4650	4777	4773	4803	5388	5425
Merlot	1492	1420	1447	1383	1369	1371	1386	1234	1262
Syrah								387	419
Cabernet Sauvignon	614	531	524	516	517	519	519	305	311
Other Red Varieties								309	311
Sub-Total Red Area								7623	7728
Other Non Specified	2758	2348	2520	2592	2705	3241	3393	451	545
Total	21002	22616	25355	29310	31964	33428	33400	35337	35733

Source : New Zealand Wine Growers

2013

The 2013 vintage surpassed all estimates to reach 345,000 MT, a 9.5% increase on mid-season 2012/2013 estimates, and a full 28% above 2012. This was the result of an additional 400 ha producing area but more significantly the optimal growing conditions experienced in all growing regions.

This harvest produced 248.4 million liters of wine, which put it 28% ahead of the 2012 vintage and nine percent above the last GAIN report forecast.

NEW ZEALAND GRAPE PRODUCTION BY VARIETY

(Metric Tons)

	2005	2006	2007	2008	2009	2010*	2011*	2012	2013
Sauvignon Blanc	63297	96686	102426	169613	177647	174247	224412	181121	228781
Chardonnay	29741	26944	38792	33346	34393	26322	25580	22855	27184
Riesling	1655	3675	6053	12417	11410	12810	17787	15347	22042
Pinot Gris	4792	6745	6017	8547	6316	5416	6118	4989	5932
Other White Varieties	9660	8960	10125	8927	6944	5413	4754	4044	4934
Total White Grape Tonnage	109145	143010	163413	232850	236710	224208	278651	228356	288873
Pinot Noir	14578	22062	20699	32878	27547	23655	31156	23285	31775
Merlot	9194	11206	11714	10166	11723	8885	9092	8046	10076
Syrah	758	1057	1514	1452	1500	2112	1741	1431	2240
Cabernet Sauvignon	3018	2659	2462	2270	2304	2203	1667	1120	1465
Other Red Varieties	2712	2891	3022	2734	2663	2382	2284	1707	1908
Total Red Grape Tonnage	30260	39875	39411	49500	45737	39237	45940	35589	47464
Total Survey Tonnage	139406	182885	202823	282352	282447	263445	324591	263944	336337
Total Industry Tonnage	142000	185000	205000	285000	285000	266000	328000	269000	345000

* The data shown are the results from the New Zealand Winegrowers' Annual Vintage Surveys, whereas 'Industry Total' represents the tons crushed by the total wine industry. The difference between 'Total' and 'Industry Total' is data from wine companies who did not respond to the Vintage Survey

Source: New Zealand Winegrowers' Annual Vintage Surveys & NZWG annual report

The Role of Bulk Wine Sales



Source: Global Trade Atlas

In 2013 bulk wine exports amounted to 28% of total exports in 2013. This is down from a peak in 2011 at 33%.

It is expected that bulk wine sales may edge up again in 2014, as some wineries/vineyards may have to contend with slightly higher volumes than they expected and in order to hasten cash flow. However it is worth noting that approximately half of these exports are shipped in bulk so the winery can take advantage of cheaper bottling costs in the destination country. This wine is not sold as discount home/in-store brand wine but is bottled in the wineries own branded bottles.

Wine Stocks and Supply/ Demand Balance

Based on the supply estimates discussed above and the forecast demand shown in the table below it is envisaged total supply and demand will very nearly be in balance at around 290 million liters.

Domestic demand is forecast to grow slightly on the back of an improving domestic economy and a slight upward trend noticeable over the last three years data. Export demand is due for a significant lift. Trend increases are fourteen million liters per annum. In 2013, owing to the reduced harvest in 2012, there was no export volume growth. Industry participants describe export demand as solid. This coupled with a buildup of inventory following the big 2013 harvest should produce a 20 million liter jump in exports in 2014. It is very unlikely that will cause an oversupply and consequent drop in pricing.

Estimated stocks at December 31 are now running at approximately fifty percent of the next year's total demand. This is a comfortable situation where there are enough stocks for export volume development but not in such quantities that would cause oversupply or cash flow difficulties for the wineries.

Vineyard owners, not part of any of the large integrated grower-winery-exporter businesses, may not like the new normal of grape prices of \$NZ1600 to \$NZ1700 per MT. But the days of over \$NZ2000 per MT for the main Sauvignon Blanc harvest are probably long gone and growers are bound to adjust to the new operating model.

PRODUCTION TRENDS NEW ZEALAND VINEYARD AND WINE INDUSTRY

Year Ending December	2005	2006	2007	2008	2009	2010	2011	2012	2013 Est.	2014 Forecast
Number of Wineries	516	530	543	585	643	672	698	703	698	698
Producing Area in hectares	21,002	22,616	25,355	29,310	31,964	33,428	33,400	35,337	35,733	36,000
Average Yield ((tons per hectare)	6.9	8.2	8.1	9.7	8.9	8	9.8	7.6	9.7	9.9
Average Grape Price (NZ\$ per ton)	1,792	2,022	1,981	2,161	1,629	1,293	1,239	1,315	1,600	1,650
Tons Grapes Crushed (000's of Tons)	142	185	205	285	285	266	328	269	345	355
Total Production Wine (millions of liters)	102.0	133.2	147.6	205.2	205.2	190.0	235.0	194.0	248.4	255.6

WINE CONSUMPTION AND EXPORT TRENDS FOR NEW ZEALAND

Year Ending December	2005	2006	2007	2008	2009	2010	2011	2012	2013 Est.	2014 Forecast
Estimated Domestic Sales of NZ Wine (millions liters)	49.5	51.2	45.3	51.2	58.0	62.2	61.8	56.7	51.6	52.0
Estimated Imports of Wine (millions of liters)	34.8	38.8	42.7	38.6	31.9	33.2	28.1	34.6	39.9	40
Total NZ Domestic Consumption	84.3	90.0	87.9	89.7	89.9	95.4	89.9	91.3	91.5	92.0
Population estimate (millions)	4.16	4.21	4.25	4.29	4.35	4.39	4.42	4.45	4.47	4.5
NZ Consumption per Capita of NZ wine(L)	11.9	12.1	10.6	11.9	13.3	14.2	14.0	12.7	11.5	11.6
NZ Consumption per Capita of all wine(L)	20.3	21.4	20.7	20.9	20.7	21.7	20.3	20.5	20.5	20.4
Estimated Export Volume (millions liters)	57.4	64.7	84.1	98.7	128.5	157.2	168.1	176.6	175.8	195
Export Value(millions of NZ\$ FOB)	471.3	610.8	759.9	903.3	1014.0	1088.7	1135.0	1216.2	1255.1	n/a
Estimated Average Price NZD/L	\$8.22	\$9.44	\$9.03	\$9.15	\$7.89	\$6.93	\$6.75	\$6.89	\$7.14	n/a
Export Value(millions of \$US FOB)	331.8	396.6	560.1	632.6	652.0	788.2	900.8	986.8	1028.6	n/a
Estimated Average Price USD/L	\$5.79	\$6.13	\$6.66	\$6.41	\$5.07	\$5.02	\$5.36	\$5.59	\$5.85	n/a

Estimated Total Supply (Production + Imports) millions liters	136.8	172.0	190.3	243.8	237.1	223.2	263.1	228.6	288.3	295.6
Estimated Total Demand (exports+ consumption) millions liters	141.7	154.7	172.1	188.4	218.4	252.5	258.0	267.9	267.3	287.0
Interim balance of Supply less Demand	-4.9	17.3	18.2	55.3	18.7	-29.4	5.1	-39.3	21.0	8.6
Running Balance i.e. estimated stocks at end Dec	76.3	93.6	111.8	167.1	185.8	156.4	161.5	122.3	143.2	151.8

Sources: NZ Wine Growers, StatisticsNZ, Global Trade Atlas, Post Estimates

Note: For the Producing Area from 2012 on this estimate is based on October registrations by the Vineyards

Exports and Trade

2014

As discussed in the preceding section it is expected wine exports will be up significantly in 2014. At 195 million liters this would represent an eleven percent lift over 2013. Demand is reportedly strong and with a good harvest in 2013 and another on the way in 2014 the stocks of wine are available to satisfy the increased demand.

There has been good growth in volume and revenue from exports to the US over the last three years. From 2011 there has been a 32% growth in volume and a 34% increase in revenue. One of the marketing strategies for NZ Winegrowers, the national organization for grape growers and wineries, has been to increase sales to the US and it would appear to be succeeding. The marketing and promotional push will continue and it is expected that volume and sales of NZ wines will increase further in 2014.

This trend will likely be helped by a recent treaty level protocol for wine labeling agreed to by the World Wine Trade Group. Members of the group include the US, NZ, Argentina, Australia, Canada, Chile, Georgia, and South Africa with Brazil, China, Mexico, and Uruguay included as observers. NZ labelling regulations already comply with the Treaty protocol. With the US signing up to the protocol, it should reduce costs and time delays for NZ exporters shipping to the US.

Canada is included in the NZ Winegrowers North American strategy and percentage volume and revenue growth has been similar to the US over the last two years.

In the medium to longer term China and Hong Kong are definitely on the radar to develop as major markets. NZ Winegrowers recognizes that it will take time and patience to develop the right marketing networks and distribution channels.

Australia still ranks as the number one market for NZ wine. But with NZ Sauvignon Blanc taking approximately 75% of the Sauvignon Blanc market there, Pinot Noir 38%, and Pinot Gris 37% of their respective segments it is thought that NZ probably can't increase volumes significantly without toppling from the profitable price point achieved over the last three years. In addition the NZ Dollar rise against the Australian Dollar will put some exporters off much expansion in the Australian market.

For more information on generic marketing of NZ Wine go to: <http://www.nzwine.com/>

2013

Overall 2013 turned out to be a good year for wine exports. Even though volume was just down 0.35%, overall export receipts were up four percent. At 175.8 million liters the actual result was four percent ahead of the projection in the last GAIN report. As projected, the exports for the second half of the year were very strong at a record 104 million liters. Average pricing was up 5% for 2013 which corroborates industry participants' comments that export demand is solid.

New Zealand Wine Export Statistics (HS Code 2204)									
For Calendar Years									
Destination Country	2011			2012			2013		
	USD (millions)	Quantity (1000's Liters)	Price \$/L	USD (millions)	Quantity (1000's Liters)	Price \$/L	USD (millions)	Quantity (1000's Liters)	Price \$/L
Australia Total	282.3	49,749	\$5.68	310.5	50,664	\$6.13	317.3	53,297	\$5.95
United States Total	185.8	34,065	\$5.45	219.6	42,453	\$5.17	248.4	45,062	\$5.51
UK Total	233.8	57,970	\$4.03	234.2	53,196	\$4.40	228.7	47,016	\$4.86
Canada Total	50.9	5,655	\$9.01	59.8	6,853	\$8.73	65.0	7,402	\$8.79
Netherlands Total	22.3	4,637	\$4.81	22.6	4,645	\$4.86	25.0	4,573	\$5.47
China Total	18.0	1,968	\$9.15	24.2	2,450	\$9.89	17.2	1,755	\$9.78
Singapore Total	11.3	1,103	\$10.23	12.2	1,184	\$10.29	16.1	1,487	\$10.83
Hong Kong Total	14.9	1,471	\$10.16	15.8	1,546	\$10.23	15.5	1,433	\$10.85
Ireland Total	13.1	2,023	\$6.50	11.6	2,046	\$5.65	13.5	2,259	\$5.97
Japan Total	8.8	968	\$9.06	11.2	1,153	\$9.68	11.6	1,180	\$9.83
Sweden Total	8.6	1,342	\$6.42	10.3	2,121	\$4.83	11.5	1,819	\$6.31
Germany Total	5.2	893	\$5.83	7.5	1,774	\$4.24	9.3	2,066	\$4.50

France Total	6.1	588	\$10.35	7.0	665	\$10.56	7.6	894	\$8.50
Belgium Total	5.1	1,040	\$4.90	5.0	966	\$5.18	5.4	964	\$5.65
Denmark Total	6.0	1,085	\$5.52	4.6	896	\$5.15	5.1	824	\$6.21
UAE Total	4.2	537	\$7.81	4.9	595	\$8.29	4.1	486	\$8.35
Rest of the World	24.3	3,043	\$7.97	25.8	3,236	\$7.98	27.3	3,314	\$8.24
Total All Exports	900.8	168,138	\$5.36	986.8	176,442	\$5.59	1028.6	175,830	\$5.85

Source: Global Trade Atlas

Imports

2014

It is expected domestic demand will be stable and imports will total forty million liters. Domestically produced wine prices may be firmer in 2014 which would mean the total consumer spends goes up but quantities consumed will be relatively static.

2013

At 39.9 million liters for 2014, imports were fifteen percent ahead of 2012 and nine percent ahead of last year's GAIN report forecast. This would suggest that, as domestically produced wine prices are rising, in order to satisfy customer demand for low priced wine supermarkets and importers are sourcing more wine off-shore at cheaper prices. Evidence for this substitution can be seen in the Wine Consumption and Export Trends for New Zealand Table above and the trend in imported wine prices shown in the table below.

New Zealand Wine Import Statistics by Country of Origin						
For Calendar Years showing Value in USD and Quantity in Liter Equivalents						
Origin Country	2011		2012		2013	
	USD	Quantity	USD	Quantity	USD	Quantity
Australia Total	\$68,955,838	22,995,866	\$71,717,432	27,248,307	\$71,720,463	31,043,192
France Total	\$26,905,790	1,288,683	\$32,669,993	1,902,615	\$35,271,903	2,059,820
South Africa Total	\$4,533,183	1,582,803	\$4,271,677	1,701,086	\$5,969,092	2,186,609
Italy Total	\$4,500,503	862,371	\$4,817,538	917,244	\$4,541,324	869,113
Chile Total	\$588,367	263,632	\$2,612,372	1,652,248	\$2,558,461	1,948,627
Spain Total	\$1,570,527	370,717	\$1,800,113	457,782	\$2,118,246	513,401
New Zealand Total	\$2,081,026	335,367	\$1,098,509	201,435	\$1,219,978	738,276

Portugal Total	\$897,877	186,846	\$1,230,391	243,706	\$1,064,981	187,804
Argentina Total	\$301,725	71,321	\$441,776	105,937	\$595,511	137,355
United States Total	\$197,315	17,346	\$287,416	28,365	\$563,178	68,638
All Other Origins	\$599,406	127,605	\$824,722	171,300	\$780,971	154,603
Total for World	\$111,131,557	28,102,557	\$121,771,939	34,630,024	\$126,404,108	39,907,438

Source: Global Trade Atlas

New Zealand Wine Import Analysis						
by Calendar Year for Quantity in Liters and Average Price in USD/Liter						
Description	2011		2012		2013	
	Quantity	Av Price/L	Quantity	Av Price/L	Quantity	Av Price/L
Sub Total Fortified Wine in bulk	1,025	\$5.10	76,751	\$1.71	25,002	\$1.94
Sub Total Fortified Wine bottled	462,340	\$4.73	522,791	\$4.83	396,666	\$5.26
Total Fortified Wine	463,365	\$4.73	599,541	\$4.43	421,668	\$5.06
Sub Total Red in bulk	5,073,408	\$1.26	8,329,334	\$1.26	7,533,508	\$1.16
Sub Total Red bottled	11,154,224	\$4.85	11,324,225	\$5.06	11,988,599	\$4.84
Total Red Wine	16,227,632	\$3.73	19,653,559	\$3.45	19,522,107	\$3.42
Sub Total Sparkling Wine in bulk	0		60	\$18.27	0	
Sub Total Sparkling Wine bottled	3,137,755	\$9.93	2,732,203	\$11.54	2,924,393	\$11.64
Total for Sparkling Wine	3,137,755	\$9.93	2,732,263	\$11.54	2,924,393	\$11.64
Sub Total White in bulk	4,480,118	\$0.88	8,276,223	\$0.81	13,430,125	\$0.75
Sub Total White bottled	3,793,687	\$3.53	3,368,181	\$3.90	3,609,145	\$3.73
Total White Wine	8,273,805	\$2.09	11,644,404	\$1.70	17,039,270	\$1.38
Sub Total All Wine in Bulk	9,554,551	\$1.08	16,682,368	\$1.04	20,988,635	\$0.90
Sub Total All Wine Bottled	18,548,006	\$5.44	17,947,400	\$5.82	18,918,803	\$5.69
Total For All Wine	28,102,557	\$3.95	34,629,767	\$3.52	39,907,438	\$3.17

Source: Global Trade Atlas

Importing Regulations

Policy Settings

The new "Sale and Supply of Liquor Act" came into being during 2013. For most wine sellers and winery cellar door operations there will be no change and the fees payable to operate will remain the same.

The Government of New Zealand has indicated it is starting a review of the “Customs and Excise Act” however there are no definite timelines as to when this will happen. Excise tax is applied to all wine produced and sold in NZ so any changes may affect wine sellers costs sometime in the future.

Composition and Labeling Requirements

All wine sold in New Zealand, including imported wine, must meet the labeling and composition requirements set out in the Australia New Zealand Food Standards Code, commonly referred to as “the Code”. (Click here for information on the code:

<http://www.foodstandards.gov.au/foodstandards/foodstandardscode/>)

In addition to the regulations in the Code, New Zealand has rules for grape wine label statements about variety, vintage, or country or area of origin. These rules are collectively known as ‘the 85% rule’. If a label states the wine is from a particular grape variety, vintage, or area, then at least 85% of that wine must be from that variety, vintage or area. The 85% rule applies to wine labeled for retail sale. It does not apply to wine sold in bulk. As statements about grape variety, vintage or area of origin are not mandatory on a wine label in New Zealand, any label that does not have this information is not subject to the 85% rule.

While there are no specific requirements for information that goes on front or back wine labels in New Zealand, front labels tend to be fairly simple. They typically contain the name of the winery, the region, the varietal, and the vintage year. This universal approach affords New Zealand’s export-oriented wine sector with the flexibility and cost-advantage of printing up back labels with the specific information required by the competent authority in New Zealand’s many export markets.

New Zealand and the United States have an agreement in place that recognizes the respective wine making practices of the two countries. However, there are some differences in labeling requirements. For instance, New Zealand regulations require specific information on the label regarding how many “standard drinks” are contained in the wine bottle. There is also a requirement for allergen labeling, which does not exist in the United States. (For instance, if the wine was fined with egg whites, that must be printed on the label.) New Zealand also requires the “supplier” to be printed on the label, which could be the manufacturer, importer or distributor. (Most exporting companies tend to put the name of the importer on the back label.) Unlike the United States, New Zealand does not require a government health warning on the label.

For a list of composition and labeling requirements, please see Appendix 1 of this report.

Tariffs and Taxes

Description	HS Code	Tariff as of January 2011	Excise Equivalent	HPA Levy*
Sparkling Wine	2204.10	5%	\$2.787 per liter	3.8812 cents per liter
Wine of Fresh Grapes	2204.10	5%	\$2.787 per liter	3.8812 cents per liter
Wine for Further Manufacture	2204.29	5%	\$0	3.8812 cents per liter

Source: New Zealand Customs Working Tariff Document

<http://www.customs.govt.nz/news/resources/tariff/theworkingtarriffdocument/Documents/Section%20IV.pdf>

Note: The excise equivalent for imports is equal to the tax levied on domestically produced wine. Taxes listed here are a guide only. See Appendix II for the New Zealand Customs website. Product for further manufacture has an excise tax placed on it when the final product is sold to retailers.

* Health Promotion Levy (HPA) has superseded the Alcoholic and Liquor Advisory Council (ALAC) Levy

Excise Equivalent: The excise equivalent is charged to the importer or wholesaler when the product is sold to the retailer. Imported product that is moved to a licensed manufacturing area for further manufacture is not assessed the excise tax until after the manufacturing process is completed and it is sold to the retailer in a consumer packaged form.

Goods and Services Tax (GST): With few exceptions, goods imported and sold in New Zealand are liable for a Goods and Services Tax (GST) of 15%. GST is payable on the sum of the Customs value of the goods, the import duty, the ALAC levy, and freight and insurance costs.

Indicative Fees and Charges: An import transaction fee of NZ\$25.30 is payable on every import entry and import declaration for goods. A biosecurity risk screening levy of \$12.77 is also collected by Customs on behalf of MPI Biosecurity New Zealand.

There would also usually be a multiple release permit (MRP) form to be completed, which has a fee of \$210.45, in order to commence imports.

These websites will also be of use to ascertain the actual fees and charges payable:

MRP

<http://www.foodsafety.govt.nz/elibrary/industry/nzfsa-application-multiple-release-permit/application-form-multiple-release-permit.pdf>

Guide Fees & Charges under the Food Act

http://www.legislation.govt.nz/regulation/public/1997/0100/latest/DLM232791.html?search=ts_all%40act%40bill%40regulation_food+regulations_rese&p=1

Appendix I. Mandatory Requirements for Wine Imported into New Zealand

MANDATORY REQUIREMENTS (Standards 1.2.1, 1.2.2, 1.2.3, 1.2.5, 1.2.9, 2.7.1)	
The following requirements apply to all wine for sale in New Zealand. Different requirements may apply in export markets.	
Legibility (Standard 1.2.9)	Any mandatory items must be set out legibly and prominently such as to afford a distinct contrast to the background, and in the English language.
Name of Food (Standard 1.2.2)	All wine must bear a name or description sufficient to indicate the true nature of the food (e.g. “sparkling wine”, “white wine” etc., a grape variety name, or a generic name such as Port).
Lot identification (Standard 1.2.2)	All wine must bear lot identification on the package. If there is just one bottling of a particular wine then there is no need for a separate lot number, as the lot is self-defined.
Name and address of supplier (Standard 1.2.2)	All wine must bear the name and business address in New Zealand or Australia of the supplier. The “supplier” may be the producing winery, packer, vendor or importer. The address should be a physical address.
Alcohol declaration (Standard 2.7.1)	All wine must bear an alcohol declaration. The acceptable form for the declaration is ‘million liters/100g’ or ‘million liters/100 million liters’ or ‘x% alcohol by volume’ or words or expressions of the same or similar meaning – i.e. “% vol” will suffice. Tolerances of the declared alcohol content from that actual alcohol content are: fortified wine: + or – 0.5%; wine and sparkling wine: + or – 1.5%
Net contents (Weights and measures regulations 1999 and amendments)	All wine must bear a statement of net contents (e.g. 750million liters).
Standard drinks (Standard 2.7.1)	All wine must bear a standard drink declaration. The form of the standard drink statement is: “contains approx. x.x standard drinks”. The formula for calculating the number of standard drinks is: 0.789 x the actual alcohol content x the volume of the container (in liters).
Country of Origin (Wine Regulations 2006 Reg#7)	All wine must bear a country of origin declaration (e.g. “New Zealand wine”, “Product of New Zealand”). This is essentially a 100% standard – if any of the grapes, grape juice, concentrated grape juice or spirit used in a wine originates in another country, then that must also be included on the label
Date of Labelling (Standard 1.2.5)	Date labelling is not required for bottled wine, but may be for wines with a shorter shelf life, such as bag-in-box.
Allergens (Standard 1.2.3)	All wine must bear a sulphite declaration if it contains more than 10 mg/kg of sulphur dioxide. The form of the statement is: “contains preservative 220” (or 221, 222, 223, 224, 225, 228), “contains sulphites”, or “contains sulphur dioxide”. A wine label must include an allergen declaration if egg, fish or milk products are present. Isinglass is now exempt from allergen labelling, although other fish collagen products still need to be declared.
Prohibited Labelling on Wine (Standard 2.7.1 and 1.1.A.2)	Wines are prohibited from bearing health claims, or making representations as to being low in alcohol or non-intoxicating etc.
GRAPE VARIETY, VINTAGE AND AREA OF ORIGIN (Wine (Specifications) Notice) 2006)	
Statements about grape variety, vintage or area of origin are not mandatory on a wine label. When they are used on wines made from 2007 onwards all wines must comply with these rules whether they are destined for export or not. The only exception is when an overseas market has a less strict requirement and the NZFSA has given specific permission for exporters to use the less strict requirement applying in that market, as is currently the case for the USA.	
A label that states the wine is a single grape variety, vintage or area must be at least 85% from the stated variety, vintage or area. For example a ‘2007’ wine must contain at least 85% of vintage 2007 wine.	
A label that states the wine is a blend of grape varieties, vintages or areas, at least 85% of the blend must be from the stated varieties, vintages or areas. For example ‘Chardonnay Chenin Blanc’ must contain at least 85% from Chardonnay and Chenin Blanc grapes.	
A label that states the wine is a combination of grape variety, vintage, and area of origin, the combination must be at least 85% of that wine. For example ‘2008 Marlborough Pinot Noir’ must contain a minimum of 85% Pinot Noir from Marlborough that was harvested in 2008.	
A label that states more than one grape variety, vintage, or area, must present that information in descending order from the greatest to the least proportion in the blend. For example ‘Chardonnay Chenin Blanc’ must contain more Chardonnay than Chenin Blanc in the blend.	
A label must not include a claim about grape variety, vintage or area if that wine contains a greater percentage of wine from another grape variety, vintage or area that is not referred to by that label. For example a wine that contains 75% Cabernet Sauvignon, 15% Pinotage and 10% Merlot could be referred to as a ‘Cabernet Pinotage’ or a ‘Cabernet Pinotage Merlot’ but not a ‘Cabernet Merlot’.	
Cultures of micro-organisms used to make wine may be excluded from the minimum content calculations (up to a maximum of 50million liters/L) as can brandy or other spirit used for fortifying wine.	
Wines made from the 2006 and earlier vintages are exempt from the 85% rules, but remain subject to the current 75% requirement for statements about grape variety and the Fair Trading Act. If a blended wine contains more than 50% wine from the 2006 vintage or earlier, and that wine is blended before 1 July 2008, then the old rules continue to apply.	

Source: New Zealand Winegrowers

Appendix II. Other Useful websites for Wine Importation

General Information on Importing:

<http://www.foodsafety.govt.nz/industry/sectors/wine/importing/index.htm>

More specific information on wine labeling and composition requirements:

<http://www.foodsafety.govt.nz/industry/sectors/wine/labelling-composition/>