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## MEDIA RELEASE

### Growth in wine exports a good early sign

The Winemakers' Federation of Australia and Wine Grape Growers Australia (WGGA) have welcomed latest figures showing the value of Australian wine exports grew 14% in 2015.

The *Wine Australia Export Report* out this week shows the value of wine exports grew in 15 key markets to \$2.1 billion in 2015 – up from \$1.82 billion the previous year. Volume went up at a slower rate, up 6.4% to 744 million litres exported for the year compared to a 1.9% rise in 2014.

“These latest figures are a good early sign that Australia is getting back in favor with some of our key markets and we hope it is just the start, with the Australian dollar playing in our favor,” Federation International Strategy and International Affairs General Manager Tony Battaglene said.

“After a small increase in value in 2014 of 1.9% the value jump by 14% in 2015 is a shot in the arm for the industry especially as we are still yet to see the full benefits of the Japan-Australia Economic Partnership Agreement, Korea-Australia Free Trade Agreement or China Australia Free Trade Agreement,” he said.

“With the right industry settings back home and an increase in investment for much-needed international marketing, the Australian wine industry has the opportunity to leverage off this growth, and regain and grow market share in key export markets underpinning a sustained boost to industry profitability in the future.”

WGGA Director Andrew Weeks said the 14% growth in export value was a welcome first step in returning profitability to the sector.

“Growers have been doing it tough for a long time now and while they’re not out of the woods yet, seeing a lift in exports is certainly welcome news for every one right across the supply chain,” Mr Weeks said.

“For example, as some pursue exports they free up limited shelf space domestically and that has the potential to improve grape sales and deliver stronger prices down the line,” he said.

“It will be imperative that this improvement allows wine companies the confidence and ability to improve the prices that they can offer growers for their fruit.

“This will mean that growers can not only remain in the industry, but it will allow them to reinvest in their businesses, and to ensure that this positive trend can continue.”

The *Export Report* found there were 122 more active exporters last year, with the number growing from 1,395 in 2014 to 1,517 in 2015.

Of the 122 nations to take Australian wine exports in 2015, the top five were:

- USA (up 4% to \$443 million in value)
- UK (up .2% to \$376 million in value)
- China (up 66% to \$370 million in value)
- Canada (up 7% to \$193 million in value)
- Hong- Kong (up 22% to \$132 million in value)

“China has already doubled its consumption of wine twice in the past five years and many are predicting it’s expected to overtake the US as the world’s largest consumer of wine this year so China still holds significant potential,” said Mr Battaglene.

**Media Contacts:** WFA – Tony Battaglene 0413 014 807, WGGA – Andrew Weeks 0403 502 242