



**NEW ZEALAND WINEGROWERS SUBMISSION ON THE FOOD STANDARDS CODE –  
PROPOSAL P1025**

**SECOND CALL FOR SUBMISSIONS**

**12 SEPTEMBER 2014**

**A INTRODUCTION**

New Zealand Winegrowers (NZW) is the organisation that provides strategic leadership for, and researches, promotes and represents the interests of, New Zealand grape growers and wine makers. Established in 2002 as a joint venture between the New Zealand Grape Growers Council and Wine Institute of New Zealand, NZW has approximately 700 winery and over 800 independent grape grower members. Every grape grower and wine maker in New Zealand is a member of NZW. Accordingly, NZW is recognised as New Zealand's principal wine industry organisation.

The wine sector is a major contributor to the New Zealand economy. New Zealand is currently exporting over NZ \$1.3 billion of wine annually and NZW predicts exports will reach NZ \$2 billion by 2020.

The regulatory environment in which New Zealand's wine is produced and sold is vital to and underpins the ongoing success of the wine industry. Therefore New Zealand Winegrowers welcomes the opportunity to provide further comments on the draft regulatory food measure prepared under Proposal 1025 to reform the Australia New Zealand Food Standards Code (the Code).

**B GENERAL COMMENTS**

NZW places importance on the integrity of wine as a product that is safe for consumption and which meets domestic and international regulatory requirements, while at the same time not restricting innovations in wine making practices to further improve our premium offering.

As the industry develops and innovations occur, NZW's interest is to ensure that the regulatory environment, including this Code, will not have any unintended consequences to stifle the development of innovative products, such as low alcohol wine.

While the Code is intended to provide certainty on food that is safe and suitable for sale, it should not derogate the inherent qualities of wine through confusing definitions or descriptions of production including additives.

We welcome the consideration of labelling requirements as a separate proposal and wish to be involved as that develops.

We would also welcome the opportunity to provide further information or clarification of our submissions.

## **C COMMENTS ON THE CODE**

### **Use of a food with a specified name or nature 1.1.1.13**

NZW notes the addition of 1.1.1.13 and in particular subsection (2) and note 2.

We would be concerned that any product containing wine or wine product and meeting those requirements would not be labelled as such, particularly given the apparent contradiction with the definition in 2.7.4.

NZW intends to make further submissions on this issue when the proposal on labelling is commenced.

### **Fruit Wine 2.7.3**

As the beverage industry in New Zealand continues to grow and innovate there have been cross over products that are composed of both grape wine and fruit wine, or grape wine and beer, and for which the labelling and definitions as a wine or wine product have been unclear.

The development of products of this type are being carefully watched by the industry to ensure that they comply with both compositional and labelling requirements and that they do not detract from New Zealand wine's integrity or premium reputation.

The previous definition of fruit and vegetable wine in the Code specifically excluded the use of products derived solely from grapes if it was to be defined as a fruit or vegetable wine.

NZW understands that the revised definition of fruit or vegetable wine in 2.7.3 intends to clarify this area of ambiguity by excluding from that definition a product that is a wine or wine product.

While NZW accepts that the proposed amendment clarifies what was an ambiguity between wine and fruit wine, the change in definition could be seen as a substantive change rather than a clarification and so should be the subject of a proper consultative process.

We make this observation based on the stated purpose of the review being to clarify and improve the efficacy of the legislation. It could be said that this amendment is a de facto interpretation of the Wine Act without full consideration of the impact that the change in definition would bring about.

### **Wine 2.7.4**

We note the responses provided to NZW's initial submission and that no changes have been made to Standard 2.7.4 as a result of submissions made.

We further note that a definition of wine product, consistent with the definition in the Wine Act, has been added to Standard 1.1.2 and is applicable to the whole Code.

NZW wishes to emphasise that it is important to the ongoing success of New Zealand's growing wine industry that the definitions in the Code do not have any unintended consequences, such as restricting wine making practices or stifling innovation in the development of new wine or wine products.

The Wine Act 2003 is designed to ensure the food safety and integrity of New Zealand wines, and in doing so protects the reputation of New Zealand's wine. Without that reputation, New Zealand wine would be an uneconomic commodity.

NZW's interest in the changes to the Code are twofold – the changes should not undermine the ability of winemakers to innovate in the production of wine and the Code's structure or definitions should not create new questions or ambiguity around the definitions of wine.

For example, New Zealand Winegrowers is engaged in a research project with Government to develop lifestyle wines which have naturally occurring low alcohol. It is intended that these wines will be lower in alcohol through the use of naturally occurring yeast and specific vineyard management and production techniques. As this project is in its infancy, we will be closely watching the development and application of this Code to ensure that it does not impact on the success of what we predict to be the next big innovation in New Zealand's wine industry.

NZW's primary concern is to protect the integrity of wine as a premium export product. We wish to repeat the comments made in our initial submission that it is not possible to neatly separate the compositional and definitional elements of wine for the reasons set out in paragraph 6.3 of that submission.

We would caution that it is conceivable that confusion arising from this definition could lead to winemaking practices where the use of sugar, water and acid either individually or in combination to a degree that would be considered out of line with the definition of wine as the product of the fermentation of grapes. We would be happy to provide further advice on these aspects for consideration.

#### **Transitional arrangements and coming into force of New Zealand's Food Act in 2016**

We note that the Food Act 2014 will come into force in 2016. It is unclear when the Code will come into force as that is dependent upon the analysis of final submissions and a notification process.

We will be watching the developments with interest and expect to engage in the implementation of the Food Act to again ensure there are no unintended consequences for the wine industry.

#### **D CONCLUSION**

NZW would welcome an opportunity to participate further in the Code Review process.

Please contact us if we can provide any further assistance or information.

Yours faithfully



Philip Gegan  
Chief Executive  
New Zealand Winegrowers

