

ANNEX 7C

WINE, WHISKY AND OTHER DISTILLED SPIRITS

Objective

1. The objective of this Annex is, on the basis of non-discrimination and reciprocity, to facilitate trade in wine produced in each Party's territory.

Scope

2. These provisions apply to wines classified under the headings HS 22.04 and HS 22.02.99¹ of the Harmonized System.

General provisions

3. Each Party shall make information about its laws and regulations concerning wine publicly available.
4. Unless otherwise provided in this Annex, the importation and sale of wine covered by this Annex shall be conducted in compliance with the laws and regulations of the importing Party.

Definitions

5. For the purposes of this Annex:
 - (a) “**label**” means any brand, mark, pictorial or other descriptive matter that is written, printed, stencilled, marked, embossed or impressed on or firmly affixed to a container of wine;
 - (b) “**variety**” means the cultivar of grape from which a wine is made, as expressed in commonly understood and accepted terms that are permitted for use in the exporting Party;
 - (c) “**vintage**” means the year of harvest of the grapes used to make a wine; and
 - (d) “**wine**” means a beverage that is produced by the complete or partial alcoholic fermentation exclusively of fresh grapes, grape must or products derived from fresh grapes.²

¹ For greater certainty, this refers to wines under the heading 22.02.99 with an alcoholic strength by volume not exceeding 0.5 % vol.

² For greater certainty, “wine” includes sparkling wine and fortified wine. Sparkling wine includes carbonated sparkling wine.

Product name

6. The importing Party shall permit the use of the term “wine” as the product name.
7. Notwithstanding paragraph 6, where a product contains no more than 0.5% alcohol by volume, a Party may require additional qualifiers or descriptions in order to ensure alignment with its domestic regulatory framework.

Labelling

8. An importing Party may require that all information on a label is clear, accurate, truthful, able to be substantiated and not misleading to the consumer.
9. An importing Party may require that labelling information appears in one of the languages in official use in the territory of that Party as provided for in its law.
10. An importing Party may require that mandatory information be presented in indelible characters and written or set out legibly and clearly, including so that the information contrasts distinctly with the background and surrounding text or graphics.
11. Each Party shall permit mandatory information on a label to be repeated on the container, whether or not in the same form, in accordance with its laws and regulations.
12. An importing Party may prohibit the use of certain label claims where such prohibition serves a legitimate human health and safety objective.
13. Each Party shall permit mandatory information to be displayed on a supplementary label affixed to a container. Supplementary labels may be affixed to a container after importation but prior to the product being offered for sale in the territory of the importing Party, provided that the mandatory information required by the importing Party is fully and accurately displayed.
14. Notwithstanding paragraph 13, a Party may not accept supplementary labels if required by that Party’s laws and regulations.
15. Each Party shall permit net contents information to be stated using the metric system and displayed as either millilitres or litres, including the abbreviations ml, mL, l, and L.
16. Neither Party shall require a supplier to indicate any of the following information on a wine container, label or packaging:
 - (a) date of packaging;
 - (b) date of bottling;

- (c) date of expiration;
- (d) date of minimum durability; or
- (e) sell by date,

except that a Party may require a supplier to indicate a date of minimum durability or expiration on products that could have a shorter date of minimum durability or expiration than would normally be expected by the consumer because of their packaging or container, for example bag-in-box wines or individual serving size wines; or the addition of perishable ingredients.

17. Notwithstanding paragraph 16, a Party may require the display of a date of minimum durability or a date of expiration on wine that has undergone a dealcoholisation treatment and has an actual alcoholic strength by volume of less than 7% if this information is required to meet a legitimate objective.
18. Each Party shall endeavour to not require a supplier to disclose additives or processing aids permitted by the importing Party on its wine label or container, except to meet a legitimate human health or safety objective.
19. Each Party shall permit the actual alcoholic content by volume indicated on a wine label to be expressed by alcohol by volume (alc/vol), for example 12% alc/vol or alc12%vol, and to be indicated in percentage terms to a maximum of one decimal point, for example 12.1%.
20. An importing Party shall permit the importation and sale of wine that is labelled as a vintage if:
 - (a) the wine conforms to the exporting Party's laws and regulations in respect of a vintage; and
 - (b) at least 85% of the wine is derived from grapes of that vintage.
21. An importing Party shall permit the importation and sale of wine that is labelled as being of a single grape variety if:
 - (a) the wine conforms to the exporting Party's laws and regulations in respect of varietal composition; and
 - (b) at least 75% of the wine so labelled is obtained from grapes of that variety.
22. An importing Party shall permit the importation and sale of wine that is labelled as being of multiple grape varieties if:
 - (a) the wine conforms to the exporting Party's laws and regulations in respect of varietal composition;

- (b) at least 85% of the wine so labelled is obtained from grapes of those varieties;
 - (c) each variety listed is in greater proportion in the wine than any variety that is not listed; and
 - (d) the varieties listed are in descending order of their proportions in the wine and, if required by the importing Party, in characters of the same size.
23. Neither Party shall require a supplier to place a translation of a trade mark or trade name on a wine container, label, or packaging.
24. An importing Party may require the provision of lot identification on wine labels.
25. An importing Party shall prohibit the defacement³ of lot identification information, unless the relevant authority of the importing Party permits otherwise.

Certification

26. Neither Party shall require imported wine to be certified by an official certification body of the Party in whose territory the wine were produced or by a certification body recognised by the Party in whose territory the wine were produced regarding vintage, varietal and regional claims for wine.
27. Notwithstanding paragraph 26, the importing Party may require that wine be certified if the exporting Party requires such certification due to a reasonable and legitimate concern about a vintage, varietal or regional claim for wine.

Existing stocks and Transitional periods

28. Products that, at the date of entry into force of this Agreement, have been produced or labelled in accordance with the laws and regulations of a Party and Parties' obligations to each other, but in a manner not compliant with this Annex, may be placed on the market in the other Party for sale until stocks are exhausted.
29. If the importing Party introduces a new or amended labelling requirement that affects wine, the importing Party shall provide the exporting Party a reasonable transitional period where the exporting Party's wine does not have to comply with a new or amended labelling requirement if the exporting Party has:

³ For greater certainty, the term "defacement" includes the following actions: alter, remove, erase, obliterate, and obscure.

- (a) wine which has entered into the importing Party's territory but not yet cleared customs; or
- (b) wine that is in transit between the exporting Party and the importing Party.

Wine, Whisky and Other Distilled Spirits Working Group

- 30. For the purposes of the effective implementation of this Annex, the Wine, Whisky and Other Distilled Spirits Working Group ("Working Group") established under paragraph 3 of Article 17.5 (Committees and Subsidiary Bodies) shall report to the Joint Commission.
- 31. The Working Group shall be composed of government representatives of each Party, and it shall provide a forum to:
 - (a) monitor and promote cooperation on the implementation and operation of this Annex;
 - (b) exchange information, discuss best practices and share implementation experiences;
 - (c) adopt decisions or make recommendations;
 - (d) consider and discuss technical issues arising from the implementation of this Agreement, without prejudice to Chapter 19 (Dispute Settlement);
 - (e) conduct the preparatory work necessary to support the functions of the Joint Commission, including when the Joint Commission adopts decisions or recommendations;
 - (f) assess each Party's laws, regulations and requirements in respect of oenological practices, with the aim of reaching agreements that provide for each Party's acceptance of the other Party's mechanisms for regulating oenological practices;
 - (g) discuss and exchange information on acceptable tolerance levels for imported wines in the context of variation of actual alcoholic strength by volume from that indicated on a label, with a view to coming to a mutually satisfactory outcome;
 - (h) assess and discuss each other's requirements in relation to acidity levels and other limits on imported wine with a view to reaching a mutually satisfactory outcome on what levels are permitted for wines produced in the exporting Party and imported in the other Party;
 - (i) exchange information and approaches to precise location requirements on wine labels and endeavour to reach a mutually satisfactory outcome as to how precise location requirements apply to wine trade between the Parties;

- (j) discuss disciplines on supplementary labelling contained in this Annex at paragraphs 13 and 14 with a view to reach a mutually satisfactory outcome for supplementary labelling of mandatory information described in paragraph 13 within two years of entry into force of this Agreement; and
 - (k) discuss and undertake an assessment of each Party's laws, regulations and requirements relating to whisky and other distilled spirits, including maturation rules, with the objective of reaching a mutually satisfactory outcome on maturation practices.
32. The Parties shall commence the assessment referred to in subparagraph 31(f) within one year of the date of entry into force of this Agreement and shall endeavour to complete the assessment within two years of its commencement.
33. The Parties shall commence the assessment referred to in subparagraph 31(k) within one year of the date of entry into force of this Agreement and shall endeavour to complete the assessment within two years of its commencement.
34. Additionally, the Working Group may:
- (a) consider any other matters referred to it by the:
 - (i) Committee on Trade in Goods;
 - (ii) Committee on Biosecurity, Food and Primary Products or
 - (iii) Committee on Technical Barriers to Trade; and
 - (b) provide reports regarding its activities, as needed, to the:
 - (i) Committee on Trade in Goods;
 - (ii) Committee on Biosecurity, Food, and Primary Products; and
 - (iii) the contact points designated pursuant to Article 7.14 (Contact Points).
35. The Parties may mutually agree to invite wine, whisky and other distilled spirits industry representatives of each Party to join officials in Working Group discussions, if appropriate.
36. The Working Group may decide on its own rules of procedure, in the absence of which the Rules of Procedure of the Joint Commission shall apply, *mutatis mutandis*.

37. The Working Group shall meet within one year of the date of entry into force of this Agreement. The Working Group shall meet again within the second year of the date of entry into force of the Agreement. Thereafter, it may meet by mutual agreement of the Parties. The meetings shall take place in India or in New Zealand alternately or by any other appropriate means of communication, as mutually agreed between the Parties.

Review

38. The Parties shall review the scope and the provisions of this Annex five years after the date of entry into force of the Agreement. Thereafter, subsequent reviews shall take place as mutually agreed by the Parties.

Non-Application of Dispute Settlement

39. Neither Party shall have recourse to dispute settlement under Chapter 19 (Dispute Settlement) for any matter arising under this Annex.
40. Further to paragraph 38, the Committee on Technical Barriers to Trade as part of the general review of this Annex shall undertake a review of the application of dispute settlement under this Annex. Following the review, the Committee on Technical Barriers to Trade may submit recommendations to the Joint Commission for its consideration.