

Australian Wine and Brandy Corporation Amendment Regulations 2003 (No. 1) 2003 No. 191

EXPLANATORY STATEMENT

STATUTORY RULES 2003 No. 191

Issued by the Authority of the Minister for Agriculture, Fisheries and Forestry

Australian Wine and Brandy Corporation Act 1980

Australian Wine and Brandy Corporation Amendment Regulations 2003 (No. 1)

Section 46 of the *Australian Wine and Brandy Corporation Act 1980* (the Act) provides that the Governor-General may make regulations necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Paragraph 46(1)(c) provides that the regulations may prohibit the export of a grape product unless prescribed conditions are met.

The Regulations amend the *Australian Wine and Brandy Corporation Regulations 1981*.

The purpose of the Regulations is to implement certain elements of European Commission Regulation No 753/2002 (the Labelling Regulation) that lays down rules for applying European Council Regulation No 1493/1999 as regards the description and presentation of wine. The Labelling Regulation is scheduled to come into effect on 1 August 2003.

Under the Labelling Regulation, the European Commission (EC) requires that 'the conditions of use' of certain kinds of information must be 'regulated in the third country concerned' before the third country will be permitted to include that information on its wine labels for use in the European Community. While use of the information is at present optional will remain optional the Labelling Regulation requires the information if provided, to be accurate. Many in the wine industry presently provide the information as they consider it important for consumers.

This change will not impose any additional regulatory requirements on wine producers over and above those that currently exist under the *Trade Practices Act 1974*, ie that labels not be misleading. This amendment meets the EC requirement that regulations governing 'conditions of use' be specific to wine labelling. The only new requirement for exporters would be the need to sign a declaration stating that the information on the label is accurate. The export of a grape product to an EC country would be prohibited unless the exporter had signed such a declaration.

The Australian Wine and Brandy Corporation supports the changes and are providing guidelines to assist wine exporters. The Australian wine industry, recognising the importance of the European market, is also supportive of the new requirements.

The Office of Regulation Review has advised that the amendment will have minimal effect on business and has confirmed a Regulation Impact Statement is not required (reference 3222).

The regulations commence on 1 August 2003.

Details of the effects of the changes to the Regulations are listed below.

Schedule 1 Amendments

[Item 1] adds a new Regulation 6AA that refers to the conditions of export to European Community countries and makes reference to the appropriate guidelines.

