

World Wine Trade Group

Initialling of English version of the Agreement on Requirements for Wine Labelling

Recognising that members of the World Wine Trade Group have finalised the English version of text of the *Agreement on Requirements for Wine Labelling* ("Agreement")

Desiring that no further amendment to the English version of the text of the Agreement will be made

Recognising that members of the World Wine Trade Group will arrange to have the English version of the text of the Agreement translated into French and Spanish

Acknowledging that the Agreement will be open for signature to members of the World Wine Trade Group from the date that either the French or Spanish version is initialled by members of the World Wine Trade Group, whichever version is initialled later

Recognising that initialling the English version of the Agreement creates no legally binding obligations on any member of the World Wine Trade Group

The undersigned, being duly authorised thereto by their respective Governments, have initialled the English version of the text of the Agreement (attached as Annex I)

Initialled at Cairns, Australia on the twentieth day of September in the year two thousand and six.

For Argentina:



.....
Amb. Alfredo V. Chiaradia
Secretary for Trade & International
Economic Relations

For Australia:




.....
Ms Elizabeth Ward
Assistant Secretary, Agriculture
& Food Branch, DFAT

For Canada:



.....
Mr Steve Verheul
Chief Agriculture Negotiator & Assistant
Deputy Minister, Negotiations & Multilateral
Trade Policy, Agriculture & Agri-Food Canada

For Chile:



.....
Mr Igor Garafulic
Director, Multilateral Economic
Relations

For New Zealand:



.....
Mr Mark Sinclair
Director, Trade Negotiations
Division, MFAT

For United States of America:



.....
Mr Jason Hafemeister
Deputy Assistant, US Trade
Representative for Agriculture

World Wine Trade Group

Agreement on Requirements for Wine Labelling

The Parties to this Agreement:

Recalling Article 6, paragraph 2 of the Agreement on Mutual Acceptance of Oenological Practices, done at Toronto on 18 December 2001 (hereinafter the Mutual Acceptance Agreement), in force since 1 December 2002, by which the Parties to the Mutual Acceptance Agreement agreed to enter into negotiations for an agreement on labelling;

Recalling the industry Statement of Principles on Wine Label Requirements agreed at Sonoma, California on 5 October 2000;

Recognising that each Party has the right consistent with its international obligations to regulate the labelling of wine, *inter alia*, to prevent deceptive labelling practices and protect human health and safety;

Acknowledging that consumers have an interest in being provided with adequate information on wine labels;

Recognising that certain regulatory requirements are common to the domestic laws of the Parties;

Acknowledging that different regulatory requirements for wine labelling have contributed to the complexity and cost of international trade in wine;

Desiring to reaffirm their rights and obligations under the Marrakesh Agreement Establishing the World Trade Organization on 15 April 1994

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USA.



(hereinafter the WTO Agreement) and to avoid unnecessary obstacles to trade in wine in accordance with those rights and obligations; and

Desiring to facilitate the international trade in wine through the adoption of common labelling requirements;

AGREE AS FOLLOWS:

Part I

General Provisions

Article 1

Definitions

For the purposes of this Agreement, the following definitions shall apply:

- (a) “Common Mandatory Information” means country of origin, product name, net contents, and actual alcohol content as specified in Article 11;
- (b) “Consensus” is achieved if, after such notice as is required by the Council’s procedures, no Party present at the meeting formally objects to a proposed decision, recommendation, or finding and no other Party files an objection with the Council Chair to that decision, recommendation, or finding within 45 days after the date of the meeting;
- (c) “Council” means the Council of the Parties established under Article 14 of this Agreement;

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- (d) "Label" means any brand, mark, pictorial or other descriptive matter that is written, printed, stencilled, marked, embossed or impressed on, or firmly affixed to the primary container of wine;
- (e) "National Mandatory Information" means information other than Common Mandatory Information required by an importing Party;
- (f) "Single Field of Vision" is any part of the surface of a primary container, excluding its base and cap, that can be seen without having to turn the primary container;
- (g) "Wine" is a beverage produced by the complete or partial alcoholic fermentation exclusively of fresh grapes, grape must, or products derived from fresh grapes in accordance with oenological practices that are authorised for use under the regulatory mechanisms of the exporting Party and accepted by the importing Party, and containing not less than 7% and not more than 24% alcohol by volume; and
- (h) "WWTG" is the World Wine Trade Group.

Article 2
Object and Purpose

The purpose of this Agreement is to accept common labelling information and to minimize unnecessary labelling-related trade barriers with the objective of facilitating international trade in wine among the Parties.

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Article 3
International Obligations

1. Nothing in this Agreement shall limit the rights and obligations of the Parties under the WTO Agreement.

2. Nothing in this Agreement is intended to interfere with the provisions of a Party's existing agreements or preclude Parties, either individually or collectively, from concluding agreements regarding labelling of wine with third countries.

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Chi. *B*.....

NwZ. *W*.....

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Article 4

Consistency with WTO Agreement

Measures relating to labelling shall be transparent, non-discriminatory and adopted and applied in conformity with the WTO Agreement, and not be used to frustrate the object and purpose of this Agreement.

Part II

Common Labelling Requirements

Article 5

Requirements relating to the Labelling of Wine

1. Each Party shall provide, in any circumstance in which it regulates wine labelling, that all information on a label shall be clear, specific, accurate, truthful, and not misleading to the consumer.
2. Subject to Articles 10.2 and 10.3, each importing Party shall permit labels to contain information other than Common Mandatory Information and National Mandatory Information consistent with its laws, regulations and requirements, including any prohibitions.
3. Each importing Party shall permit information on a label to be repeated on the container, whether or not in the same form, in a manner consistent with its laws, regulations and requirements.
4. Nothing in this Agreement shall in any way prevent a Party from taking measures for the protection of human health and safety, provided such measures are in accordance with the provisions of the WTO Agreement.

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5. No Party shall require disclosure on a label of oenological practices.

Article 6

Placement and Presentation of Common Mandatory Information

1. Each importing Party shall permit Common Mandatory Information to be presented in any Single Field of Vision. If Common Mandatory Information is presented in any Single Field of Vision, then the importing Party's requirements with respect to placement of Common Mandatory Information shall have been met, subject to Articles 8 and 11.3.
2. Each importing Party shall accept Common Mandatory Information that appears outside of a Single Field of Vision provided its laws, regulations and requirements have been satisfied.

Article 7

Common Mandatory Information: Less Restrictive Rules

1. Where an importing Party adopts or maintains for its market labelling rules in respect of Common Mandatory Information that are less restrictive than the rules specified in this Agreement, nothing in this Agreement shall allow the Parties to prevent exporters exporting to that market from labelling in accordance with the importing Party's rules.
2. An importing Party that requires fewer than four items of Common Mandatory Information under its laws, regulations and requirements shall nevertheless permit labels listing all Common Mandatory Information.

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Article 8

Language and Presentation of Common Mandatory Information

1. An importing Party may require that Common Mandatory Information appear in one or two of the languages in official use in the territory of that Party as provided for in its laws, regulations and requirements.
2. Each importing Party may require that where Common Mandatory Information is presented in more than one language the information presented in those languages is consistent and not contradictory.
3. Each importing Party may require that Common Mandatory Information be written or set out legibly and clearly so as to afford a distinct contrast to the background.


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Article 9

Type Size of Common Mandatory Information

1. If an importing Party maintains type size requirements, that Party shall permit Common Mandatory Information relating to country of origin and product name to appear on a label in type size not less than 1.6mm for containers of 187ml or less and not less than 2mm for containers of more than 187ml, in which case the importing Party's requirements would be deemed to have been met in this respect.
2. If an importing Party maintains type size requirements, that Party shall permit Common Mandatory Information relating to actual alcohol content to appear on a label in type size of not less than 2mm or greater than 3mm, in which case the importing Party's requirements would be deemed to have been met in this respect.
3. If an importing Party maintains type size requirements, that Party shall permit Common Mandatory Information relating to net contents to appear on a label in a type size of not less than 3.3mm for a 750ml bottle of wine no taller than 360mm, in which case the importing Party's requirements would be deemed to have been met in this respect.
4. In addition to the information supplied under Article 15, each Party shall provide information summarizing or describing its type size requirements for displaying net contents to the depositary, which shall maintain and publish such information on the WWTG website.

Article 10

National Mandatory Information and Voluntary Information

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1. Nothing in this Agreement, with the exception of Article 5.5, shall prevent an importing Party from requiring National Mandatory Information to be specified on the primary container.

2. No importing Party shall restrict the placement of either National Mandatory Information or voluntary information.

3. Notwithstanding Article 10.2:
 - (a) An importing Party may require that two or more items of National Mandatory Information or voluntary information or both appear in the same field of vision as, or in conjunction with, or in a certain proximity to, one another; and

 - (b) An importing Party may require that National Mandatory Information not be displayed on the base or cap of a container.

Article 11

Common Mandatory Information: Specifications

1. Country of Origin
 - (a) Each importing Party shall permit country of origin information to be presented in the form of "Product of", "Wine of" or a similar phrase, or the name of the country of origin, used as either an adjective or a noun in conjunction with the word "wine".

 - (b) Labelling information regarding multi-country blends that may be required by an importing Party shall be treated as National Mandatory Information.

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2. Product Name

- (a) Each importing Party shall permit the use of the term “wine” as the product name.
- (b) Each importing Party may require further information on labels concerning the type, category, class, or classification of the wine as National Mandatory Information.

3. Net Contents

- (a) Each importing Party shall permit net contents to be stated using the metric system and displayed as either millilitres or litres, including the abbreviations ml, mL, l, and L.
- (b) In addition to the information required under Article 15, each Party shall provide information summarizing or describing its requirements concerning the display of net contents information to the depositary which shall maintain and publish such information on the WWTG website.
- (c) Article 6.1 shall apply where the net contents is 50ml, 100ml, 187ml, 200ml, 250ml, 375ml, 500ml, 750ml, 1 litre, 1.5 litres, 2 litres, 3 litres, or larger in quantities of whole litres, except for those volumes that are not permitted by the importing Party.

4. Actual Alcohol Content

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- (a) Each importing Party shall permit the actual alcoholic content by volume to be indicated on the label in percentage terms to a maximum of one decimal point (e.g., 12%, 12.0%, 12.1%, 12.2%).
- (b) Each Party shall permit the actual alcoholic content to be expressed by alc/vol (e.g., 12% alc/vol or alc12%vol).

Article 12

Icewine

Each Party shall permit wine to be labelled as Icewine, ice wine, ice-wine, or similar variation thereof, only if that wine is made exclusively from grapes naturally frozen on the vine, as provided in Annex 1.

Article 13

Future Negotiations and Other Matters

1. Consistent with Article 2 of this Agreement, the Parties shall continue discussing the following matters with a view to concluding an additional agreement on labelling within three years from the closing of the period for signature of the Agreement as specified in Article 19.1:

- (a) labelling requirements concerning information on alcohol tolerance, vintage, variety, and wine regions;
- (b) labelling requirements concerning the linking of National Mandatory Information or voluntary information or both; and

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- (c) any other relevant trade facilitating matters concerning labelling requirements such as type size, presentation of net contents, multiple languages, and icewine.

2. Consistent with the objectives of the Preamble, the Parties shall continue to work on other matters concerning the facilitation of trade in wine, and such other matters as may be agreed among the Parties.


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Part III
Final Clauses

Article 14
Management of the Agreement

1. The Parties hereby establish a Council of Parties in which each Party has equal representation to manage this Agreement. All decisions, recommendations, and findings of the Council shall be by consensus. The Council shall determine its own rules and procedures.

2. The Council may consider any matter relating to the effective operation of the Agreement. In particular it shall be responsible for:

- (a) seeking to resolve questions relating to the application of this Agreement;
- (b) providing a forum for discussing issues that may arise concerning this Agreement;
- (c) considering ways to enhance the operation of this Agreement;
- (d) administering the dispute settlement procedures set out in Article 16 of this Agreement;
- (e) adopting amendments to this Agreement in accordance with Article 17;
- (f) determining the working languages under this Agreement;


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- (g) deciding upon the application of States to accede to this Agreement pursuant to Article 20; and
- (h) establishing procedures for notifying the Parties of Council decisions, recommendations and findings, and for Parties to object to their adoption.

Article 15
Transparency

1. Upon ratification, acceptance, or approval of, or accession to, this Agreement, a State shall:


- (a) notify to the depositary its laws, regulations and requirements relevant to the labelling of wine. The depositary shall convey this information to the existing Parties' contact points and incorporate it in the WWTG website; and
- (b) notify to the depositary a contact point at an appropriate level in its government, from which other Parties can obtain further information on the laws, regulations and requirements of that Party relevant to the labelling of wine notified by that Party. The depositary shall incorporate the notified contact point's details on the WWTG website.

2. Each Party is encouraged to notify to the depositary proposals to change its laws, regulations and requirements relevant to the labelling of wine. When possible, the notification should be made at the start of the process to change the


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law, regulation or requirement. The depositary shall publish any such notification on the WWTG website.

3. Each Party shall notify to the depositary any changes to its laws, regulations or requirements relevant to the labelling of wine within 60 days after such changes become final, regardless of the effective date, and the depositary shall promptly publish such changes on the WWTG website. Should such changes relate to labelling requirements regarding net contents, the notification shall include any necessary modifications to the summary or description required under Articles 9.4 and 11.3(b).

Article 16
Consultations and Dispute Settlement

1. Any Party may request in writing consultations with any other Party with respect to the adoption or application of any measure of that other Party that it considers inconsistent with this Agreement. The requesting Party shall deliver its request to the other Party, and shall set out the reasons for the request, including identification of the measure at issue, and an indication of the legal basis for the complaint. The requesting Party shall, at the same time, deliver a copy of the request and the reasons for the request to all other Parties.

2. Any Party may participate in the consultations on delivery of written notice to all other Parties within 21 days of the date of receipt of the request for consultations. The Party shall include in its notice an explanation of its interest in the matter.

3. The Parties to the dispute and any other Party that has given notice pursuant to Article 16.2 shall, within 45 days from the date of receipt of the

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request for consultations, consult with each other with a view to resolving the matter. The Parties to the dispute shall make every attempt to arrive at a mutually satisfactory resolution of the matter under dispute that is consistent with this Agreement, through consultations under this Article. To this end, the Parties to the dispute shall:

- (a) subject to subparagraph (b), provide sufficient information in writing to enable a full examination of whether the measure or its application is inconsistent with the Agreement; and
- (b) agree, prior to providing such information, on the treatment of any information designated confidential by the Party providing it.

4. Each Party to the dispute shall strive to make available personnel of its government agencies or other regulatory bodies who have expertise in the matter that is the subject of consultations.

5. If the Parties to the dispute fail to resolve a matter pursuant to Article 16.3 within:

- (a) 60 days from the date of receipt of a request for consultations; or
- (b) such other period as they may agree,

any Party to the dispute may request in writing a meeting of the Council to resolve the dispute. Such a request shall set out the reasons for the request, including identification of the measure at issue or its application, and an indication of the legal basis for the complaint.

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6. Unless it decides otherwise, the Council shall convene within 30 days from the date of receipt of the request under Article 16.5 and shall endeavour to resolve the dispute promptly. The Council may convene in person, via digital video conference, conference call, or other means as appropriate. To assist in its deliberations, the Council may:

- (a) call on such technical advisors or create such working groups or expert groups as it deems necessary; or
- (b) have recourse to good offices, conciliation, mediation, or such other dispute resolution procedures as the Parties to the dispute may agree upon.

The Council shall conduct its deliberations and make recommendations within 120 days of the receipt of a request under Article 16.5 in order to assist the Parties to the dispute to reach a mutually satisfactory resolution of the dispute.

7. The Council shall include in its recommendations under Article 16.6 a finding as to whether there has been a breach of an obligation under the Agreement, and if the finding is that there has been a breach, a recommendation that the Party against whom the complaint was submitted rectify the breach.

8. If a Party found in breach under Article 16.7 of an obligation under the Agreement has not rectified the breach within one year of the Council's finding, or within such other period as the Party submitting the complaint and the Party found in breach shall agree, the Party submitting the complaint may, upon 60 days notice to the other Party, suspend its obligations under the Article in relation to which a breach was found with respect to the Party found in breach

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until such time as the Parties to the dispute agree or the Council finds that the breach has been rectified.

9. The Party found in breach of an obligation by the Council shall inform the Council of its efforts taken to comply with the Council's recommendations at six month intervals after the adoption of the recommendations and until such time as the Council finds the breach has been rectified.

10. The Parties to the dispute may agree in writing for the purposes of a specific dispute under this Article to follow different procedures than those set out in this Article for the purpose of expediting, enhancing, or facilitating resolution of the specific dispute.

11. Where Parties have separately requested consultations under Article 16.1, the Parties to the different disputes may agree to join consultations together as a single matter under dispute.

12. For purposes of this Article, "Parties to the dispute" means the Party requesting consultations and the Party to whom the request is addressed.

13. All requests, notifications, or other communications required by this Article shall be delivered to contact points notified under Article 15.1(b) for the Parties, and to the depositary for the Council.

14. Nothing in this Article shall be interpreted as implying any change in the rights and obligations of a Party under the WTO Agreement, including the dispute settlement provisions of that Agreement.

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15. Articles 16.5 through 16.9 shall not apply to matters arising under Articles 3, 4, or 5.4 of this Agreement, or to any other matters for which a finding or recommendation requires an examination of the consistency of any measure of a Party or its application with the WTO Agreement.

16. Each Party shall endeavour, in good faith, to ensure that all reasonably available administrative remedies and procedures of a Party have been pursued prior to requesting consultations under Article 16.1.

17. Each Party to a dispute shall bear its own costs and expenses incurred in relation to the dispute.


Article 17 **Amendment**

1. Any Party may propose an amendment to this Agreement by submitting the text of the proposed amendment to the depositary. The depositary shall within 30 days of receiving the proposed amendment communicate it to all Parties for their consideration.

2. The Council shall consider any proposed amendment at the first Council meeting held after all of the Parties have received it. The Council may decide to adopt or reject the proposed amendment no earlier than 90 days after its communication to all Parties.

3. Amendments shall be subject to acceptance by the Parties. Instruments of acceptance in respect of an amendment shall be deposited with the depositary. An amendment shall enter into force on the 30th day following the receipt by the depositary of the instruments of acceptance from all Parties, or as otherwise

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decided by the Council. Each State that accedes to this Agreement after the entry into force of any amendment shall become a Party to the Agreement as amended.

Article 18 Withdrawal

A Party may withdraw from this Agreement by providing written notification to the depositary. The depositary shall promptly communicate the notification to the Parties. Withdrawal shall take effect six months after the date the depositary receives the notification, unless the notification specifies a later date. The withdrawal shall not take effect if the notification is withdrawn prior to the expiry of the six months, or where a later date is specified, the occurrence of that date.

Article 19 Parties and Entry into Force

1. This Agreement shall be open for signature by Parties to the Mutual Acceptance Agreement until 1 December 2007.
2. This Agreement is subject to ratification, acceptance or approval by signatory States. Instruments of ratification, acceptance or approval shall be deposited with the depositary, which shall promptly communicate them to the other signatory States.
3. This Agreement shall enter into force on the first day of the month following the date the depositary receives the second instrument of ratification, acceptance or approval. It shall enter into force for each subsequent signatory

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State thereafter on the first day of the month following the date of deposit of its instrument of ratification, acceptance or approval.

4. A signatory State will seek to deposit its instrument of ratification, acceptance or approval within 30 months of the date this Agreement enters into force, or such longer period as the Council may decide. If a signatory State has not deposited such instrument by the end of this period, the signatory State shall no later than 90 days before depositing its instrument of ratification, acceptance or approval, provide to the depositary a copy of its laws, regulations and requirements relating to wine labelling practices and the mechanisms to regulate them.

Article 20
New Parties

1. Any State that has not signed this Agreement may by written application to the depositary seek to accede to it. Such application shall include a copy of that State's laws, regulations and requirements relating to labelling practices and the mechanisms to regulate them, and a statement of the applicant's approach towards the Mutual Acceptance Agreement.

2. The depositary shall circulate to the Parties within 30 days of receipt of a State's application to accede to the Agreement. The Council, at its first meeting following the receipt of any such application, which shall be held no sooner than 60 and no later than 120 days from the date of circulation to the Parties, shall assess that State's laws, regulations and requirements relating to wine labelling, practices and the mechanisms to regulate them, as well as the State's approach to the Mutual Acceptance Agreement. If the Council finds these

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acceptable, it shall notify the State of its decision and may invite the State to accede to this Agreement.

3. Following receipt of the invitation, but in no case later than 30 months thereafter, the State concerned shall deposit its instrument of accession with the depositary. This Agreement shall enter into force for that State on the first day of the month following the date of deposit of its instrument of accession.

4. The original of this text, of which the English, French, and Spanish language texts are equally authentic, shall be deposited with the Government of the United States.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done at _____, on the _____ of _____ in the year two thousand and _____.

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Annex 1

1. Each Party shall permit wine imported from another Party for domestic consumption and wine produced in its territory for domestic consumption to be labelled as Icewine, ice wine, ice-wine or similar variation thereof, only if that wine is made exclusively from grapes naturally frozen on the vine.

2. Notwithstanding paragraph 1, New Zealand shall implement the obligation in Article 12 by ensuring that wine exported to any Party is labelled as Icewine, ice wine, ice-wine or similar variation thereof, only if that wine is made exclusively from grapes naturally frozen on the vine.

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