

09/02
8 May 2002

INITIAL/DRAFT ASSESSMENT REPORT
(prepare a new proposal / FULL ASSESSMENT - ss.21/23) s.36

PROPOSAL P253

WINE PRODUCTION (AUSTRALIA ONLY)

DEADLINE FOR PUBLIC SUBMISSIONS to the Authority in relation to this matter:

19 June 2002

(See "Invitation for Public Submissions" for details)

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FOOD STANDARDS SETTING IN AUSTRALIA AND NEW ZEALAND

The Governments of Australia and New Zealand entered an Agreement in December 1995 establishing a system for the development of joint food standards. On 24 November 2000, Health Ministers in the Australia New Zealand Food Standards Council (ANZFS) agreed to adopt the new *Australian New Zealand Food Standards Code*. The new Code was gazetted on 20 December 2000 in both Australia and New Zealand as an alternate to existing food regulations until December 2002 when it will become the sole food code for both countries. It aims to reduce the prescription of existing food regulations in both countries and lead to greater industry innovation, competition and trade.

Until the joint *Australia New Zealand Food Standards Code* is finalised the following arrangements for the two countries apply:

- **Food imported into New Zealand other than from Australia** must comply with either Volume 1 (known as *Australian Food Standards Code*) or Volume 2 (known as the joint *Australia New Zealand Food Standards Code*) of the *Australian Food Standards Code*, as gazetted in New Zealand, or the *New Zealand Food Regulations 1984*, but not a combination thereof. However, in all cases maximum residue limits for agricultural and veterinary chemicals must comply solely with those limits specified in the *New Zealand (Maximum Residue Limits of Agricultural Compounds) Mandatory Food Standard 1999*.
- **Food imported into Australia other than from New Zealand** must comply solely with Volume 1 (known as *Australian Food Standards Code*) or Volume 2 (known as the joint *Australia New Zealand Food Standards Code*) of the *Australian Food Standards Code*, but not a combination of the two.
- **Food imported into New Zealand from Australia** must comply with either Volume 1 (known as *Australian Food Standards Code*) or Volume 2 (known as *Australia New Zealand Food Standards Code*) of the *Australian Food Standards Code* as gazetted in New Zealand, but not a combination thereof. Certain foods listed in Standard T1 in Volume 1 may be manufactured in Australia to equivalent provisions in the *New Zealand Food Regulations 1984*.
- **Food imported into Australia from New Zealand** must comply with Volume 1 (known as *Australian Food Standards Code*) or Volume 2 (known as *Australia New Zealand Food Standards Code*) of the *Australian Food Standards Code*, but not a combination of the two. However, under the provisions of the Trans-Tasman Mutual Recognition Arrangement, food may **also** be imported into Australia from New Zealand provided it complies with the *New Zealand Food Regulations 1984*.
- **Food manufactured in Australia and sold in Australia** must comply with Volume 1 (known as *Australian Food Standards Code*) or Volume 2 (known as *Australia New Zealand Food Standards Code*) of the *Australian Food Standards Code* but not a combination of the two. Certain foods listed in Standard T1 in Volume 1 may be manufactured in Australia to equivalent provisions in the *New Zealand Food Regulations 1984*.

In addition to the above, all food sold in New Zealand must comply with the *New Zealand Fair*

Trading Act 1986 and all food sold in Australia must comply with the *Australian Trade Practices Act 1974*, and the respective Australian State and Territory *Fair Trading Acts*.

Any person or organisation may apply to ANZFA to have the *Food Standards Code* amended. In addition, ANZFA may develop proposals to amend the *Australian Food Standards Code* or to develop joint Australia New Zealand food standards. ANZFA can provide advice on the requirements for applications to amend the *Food Standards Code*.

INVITATION FOR PUBLIC SUBMISSIONS

The Authority decided, pursuant to section 36 of the *Australia New Zealand Food Authority Act 1991*, to omit to invite public submissions in relation to the proposal prior to making a Draft Assessment. The Authority was satisfied that omitting to invite public submissions prior to making a draft assessment was warranted as the proposal raises matters of a mechanical nature that are of minor significance or complexity. Furthermore, the Authority considered that omitting to invite public submissions prior to making a draft assessment, would not significantly adversely affect the interests of any person or body.

Content of Submissions

Written submissions containing technical or other relevant information which will assist ANZFA in undertaking an assessment on matters relevant to the application, including consideration of its regulatory impact, are invited from interested individuals and organizations. Information providing details of potential costs and benefits of the proposed change to the Code from stakeholders is highly desirable. Claims made in submissions should be supported wherever possible by referencing or including relevant; studies, research findings, trials, surveys etc. Technical information presented should be in sufficient detail to allow independent scientific assessment.

Submissions may provide more general comment and opinion on the issue although those framing their submissions should bear in mind ANZFA's regulatory role specifically relates to food supplied for human consumption in Australia and New Zealand. The ANZFA Act 1991 sets out the objectives of the Authority in developing food regulatory measures and variations of food regulatory measures as:

- (a) the protection of public health and safety; and
- (b) the provision of adequate information relating to food to enable consumers to make informed choices; and
- (c) the prevention of misleading or deceptive conduct.

In developing food regulatory measures and variations of food regulatory measures The Authority must also have regard to the following:

- (a) the need for standards to be based on risk analysis using the best available scientific evidence;
- (b) the promotion consistency between domestic and international food standards;
- (c) the desirability of an efficient and internationally competitive food industry;
- (d) the promotion of fair trading in food.

Submissions addressing the issues in the context of the objectives of the Authority as set out in the *ANZFA Act 1991* will be more effective in supporting their case.

Written submissions containing technical or other relevant information which will assist the Authority in undertaking a final assessment on matters relevant to the application, including consideration of its regulatory impact, are invited from interested individuals and organisations. Technical information presented should be in sufficient detail to allow independent scientific assessment.

Submissions providing more general comment and opinion are also invited. The Authority's policy on the management of submissions is available from the Standards Liaison Officer upon request.

Following its draft assessment of the application the Authority may prepare a draft standard or draft variation to a standard (and supporting draft regulatory impact statement), or decide to reject the application/proposal. If a draft standard or draft variation is prepared, it is then circulated to interested parties, including those from whom submissions were received, with a further invitation to make written submissions on the draft. Any such submissions will then be taken into consideration during the inquiry, which the Authority will hold to consider the draft standard or draft variation to a standard.

Transparency

The processes of ANZFA are open to public scrutiny, and any submissions will ordinarily be placed on the public register of ANZFA and made available for inspection. If you wish any confidential information contained in a submission to remain confidential to ANZFA, you should clearly identify the sensitive information and provide justification for treating it in confidence. The *Australia New Zealand Food Authority Act 1991* requires ANZFA to treat in confidence trade secrets relating to food and any other information relating to food, the commercial value of which would be or could reasonable be expected to be destroyed or diminished by disclosure.

Contact details for submitters are recorded so that the Authority can continue to keep them informed about progress of the application or proposal.

Deadlines

The deadlines for submissions are clearly indicated in the advertisements calling for comment and in the relevant Assessment Reports. While the Authority often provides comment periods of around 6 weeks, the periods allowed for comment may vary and may be limited to ensure critical deadlines for projects can be met. Unless the Project Manager has given specific consent for an extension, the Authority cannot guarantee that submissions received after the published closing date will be considered.

Delivery of Submissions

Submissions must be made in writing and should be clearly marked with the word 'Submission' and quote the **correct project number** and **title**. Submissions may be sent by mail to the **Standards Liaison Officer** at one of the following addresses:

Australia New Zealand Food Authority
PO Box 7186
Canberra BC ACT 2610
AUSTRALIA
Tel (02) 6271 2258
email: slo@anzfa.gov.au

Australia New Zealand Food Authority
PO Box 10559
The Terrace WELLINGTON 6036
NEW ZEALAND
Tel (04) 473 9942
email: anzfa.nz@anzfa.gov.au

Submissions should be received by the Authority by: 19 JUNE 2002

Submissions may also be sent electronically through the submission form on the ANZFA website www.anzfa.gov.au. Electronic submissions should also include the full contact details of the person making the submission on the main body of the submission so that the contact details are not separated.

FURTHER INFORMATION

Further information on this and other matters should be addressed to the Standards Liaison Officer at the Australia New Zealand Food Authority at one of the above addresses.

Assessment reports are available for viewing and downloading from the ANZFA website or alternatively paper copies of reports can be requested from the Authorities Information Officer at info@anzfa.gov.au.

EXECUTIVE SUMMARY

Problem

Australian wine sales to the European Union (EU) may be jeopardised when, at the end of the two-year transition period, Volume 1 of the *Food Standards Code* is repealed. The EU has already raised concerns about this with Australian officials.

During the Review of the *Food Standards Code*, ANZFA determined that some of the production provisions for wine that underpin Australia's Agreement with the EU (and contained in Volume 1 of the *Food Standards Code*) were inappropriate in a joint wine standard because they prescribed practices relating to wine quality that could become technical barriers to trade. ANZFA developed a joint standard on wine, Standard 2.7.4 – Wine and Wine Products, that recognises accepted wine practices throughout the world. Wine made in New Zealand or imported from other wine producing countries need comply only with this Standard. However Australia's Agreement with the EU on trade in wine relies on Australian wine being recognised as wine of designated quality and origin (e.g. *appellation contrôllé*, DOC, *qualitäts wein* etc.) and the provisions in this minimally prescriptive joint standard do not implement these requirements.

As a temporary measure until a more appropriate legislative vehicle is found, Standard 2.7.4 – Wine and Wine Products of Volume 2 of the *Food Standards Code* refers directly to provisions of Standard P4 – Wine, Sparkling Wine and Fortified Wine in Volume 1 of the *Food Standards Code*.

Officers in the Department of Agriculture, Fisheries and Forestry – Australia (AFFA) have since informed ANZFA that there are difficulties associated with placing such provisions in the *Australian Wine and Brandy Corporation Act 1980* (as was intended at the time of the Review) because the AWBC Act does not have coverage of all wine made and sold within Australia, particularly wine manufactured by unincorporated bodies and not traded interstate or internationally.

Objective

The intent of this Proposal (P253) is to duplicate the effect of the production provisions for wine made in Australia only, which are currently contained in Volume 1 of the *Food Standards Code*. It is proposed that these provisions be contained in an Australia-only standard, Standard 4.1.1 – Wine Production Requirements (Australia only), in a new Chapter (Chapter 4) of Volume 2 of the *Food Standards Code*. This new chapter will contain production and processing standards.

The minimally prescriptive joint Standard on wine developed during the Review, i.e., Standard 2.7.4 – Wine and Wine Product, in Chapter 2 of Volume 2 of the *Food Standards Code* will remain the compliance standard for wine made in New Zealand and for wine imported into Australia and New Zealand.

Regulatory options and impact analysis

This Proposal involves transfer without substantive amendment of wine production provisions from Volume 1 of the *Food Standards Code* to Volume 2 of the *Food Standards Code*. Since there is no regulatory change proposed there will be no change to the impact on stakeholders.

WTO notification

The proposed wine production standard will not apply to wine imported into Australia or New Zealand. It will affect only wine producers in Australia. Therefore no World Trade Organization (WTO) notification is considered necessary.

Conclusion and Draft Statement of Reasons

In order to underpin Australia's agreement with the EU on trade in wine the combined initial/draft assessment for P253 recommends that production provisions for wine made in Australia only, which are in Volume 1 of the *Food Standards Code*, be placed in an Australia-only standard in a new chapter (Chapter 4) of Volume 2 of the *Food Standards Code*. This chapter is to contain production and processing standards.

The inclusion of the wine production provisions in Volume 2 of the *Food Standards Code* will continue the current regulatory *status quo* for wine made in Australia only, when Volume 1 of the *Food Standards Code* is repealed at the end of the transition period and will have no effect on wine made in New Zealand or on imported wine.

Specifically, the recommendations of P253 are:

- that production provisions for wine, currently in Standard P4 – Wine, Sparkling Wine and Fortified Wine of Volume 1 of the *Food Standards Code*, be placed without substantive amendment into an Australia-only standard, Standard 4.1.1 – Wine Production Requirements (Australia only), in a new chapter (Chapter 4) of Volume 2 of the *Food Standards Code*;
- that the provisions defining 'brandy' and 'grape spirit', referred to in Standard P4 and contained in Standard P3 – Spirits and Liqueurs of Volume 1 of the *Food Standards Code*, be placed without substantive amendment into Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code*;
- that the provisions defining sugars referred to in Standard P4 and contained in Standard K1 – Sugar and Related Products of Volume 1 of the *Food Standards Code* be placed without substantive amendment into Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code*;
- that provisions be placed in Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code* that restrict the use of food additives and processing aids to those that are currently listed in Standard P4;

- that consequential amendments be made to Standard 2.7.4 – Wine and Wine Products of Volume 2 of the *Food Standards Code*, removing references to Volume 1 of the *Food Standards Code* (viz: references to Standard P4 – Wine, Sparkling Wine and Fortified Wine, Standard P3 – Spirits and Liqueurs and Standard P6 – Wine Products and Reduced Alcohol Wine);
- seek public submissions in relation to these proposed draft variations to the *Food Standards Code*; and
- seek public submissions on whether production provisions for wine product, currently in Standard P6 – Wine Products and Reduced Alcohol Wine of Volume 1 of the *Food Standards Code* should also be placed Standard 4.1.1 – Wine Production (Australia only) in Volume 2 of the *Food Standards Code*.

INTRODUCTION

The intent of this Proposal (P253) is to continue the effect of the production provisions for wine made in Australia, which are currently contained in Volume 1 of the *Food Standards Code*. The wine production provisions in Volume 1 of the Code will cease to exist formally when Volume 1 is repealed at the end of the transition period. ANZFA proposes to place these provisions, without substantive amendment, into an Australia-only standard in a new chapter (Chapter 4) of Volume 2 of the *Food Standards Code* (the joint Code). This new chapter of the joint Code is to contain standards regulating primary production and processing.

The continuation of the wine production provisions in Volume 2 of the *Food Standards Code* will:

- continue the current regulatory *status quo*;
- underpin Australia’s agreement with the EU on trade in wine; and
- have no effect on wine made in New Zealand or on imported wine.

This Proposal involves transfer, without substantive amendment, of existing wine production provisions from Volume 1 of the *Food Standards Code* to an Australia-only standard in Volume 2 of the *Food Standards Code*. It is not a review of any of these provisions. Therefore because of the low complexity of this matter, this report is a combined initial/draft assessment.

REGULATORY PROBLEM

During the Review, ANZFA determined that some of the production provisions that underpin Australia’s Agreement with the EU were inappropriate in a joint wine standard because they prescribed practices relating to wine quality that could become technical barriers to trade. Negotiations with the New Zealand Government at the time made it clear that a dual standard (i.e., a standard with some provisions applying in Australia only or in New Zealand only) was not acceptable within Chapter 2 of the Code. ANZFA developed a joint standard on wine, Standard 2.7.4 – Wine and Wine Product, that recognises accepted wine practices throughout the world. Wine made in New Zealand, or imported into Australia or New Zealand, need comply only with this Standard.

As a temporary measure until a more appropriate legislative vehicle is found, Standard 2.7.4 – Wine and Wine Product refers directly to provisions of Standard P4 – Wine, Sparkling Wine and Fortified Wine in Volume 1 of the *Food Standards Code*. This ensures the integrity of Australia’s 1994 Agreement with the EU on trade in wine over the transition period, but not beyond December 2002 when Standard P4 will be repealed along with the rest of Volume 1 of the *Food Standards Code*.

In order to find an appropriate legislative location for these provisions, to continue their effect after December 2002, ANZFA entered into discussions with representatives of the Department of Agriculture, Fisheries and Forestry – Australia (AFFA), the Wine Federation of Australia, and the Australian Wine and Brandy Corporation to determine whether the *Australian Wine and Brandy Corporation Act 1980* (AWBC Act) was a suitable vehicle for the production requirements for Australian wine.

AFFA has since informed ANZFA that there are difficulties associated with placing such provisions in the AWBC Act because the AWBC Act does not have coverage of all wine made and sold within Australia, particularly wine manufactured by unincorporated bodies and not traded interstate or internationally.

OBJECTIVE

ANZFA’s statutory objectives

ANZFA’s statutory objectives in developing food regulatory measures and variations of food regulatory measures are (in descending priority order):

- (a) the protection of public health and safety; and
- (b) the provision of adequate information relating to food to enable consumers to make informed choices; and
- (c) the prevention of misleading or deceptive conduct.

In developing food regulatory measures and variations of food regulatory measures, ANZFA must also have regard to the following:

- (a) the need for standards to be based on risk analysis using the best available scientific evidence;
- (b) the promotion of consistency between domestic and international food standards;
- (c) the desirability of an efficient and internationally competitive food industry;
- (d) the promotion of fair trading in food.

The development of food standard(s) are also carried out in accordance with the competition policy principles which have been adopted by the Council of Australian Governments (COAG) and the draft Code of Good Regulatory Practice (New Zealand).

These principles require the review of all business regulation to remove unnecessary obstacles to competition and an assessment of proposed regulation on all affected sectors of the community, and can be encapsulated in the phrase ‘minimum effective regulation’.

Aim of this Proposal

The proposed regulatory modifications are intended to duplicate, for wine made in Australia only, the requirements of Standard P4 – Wine, Sparkling Wine and Fortified Wine of Volume 1 of the *Food Standards Code*. This duplication will be removed when Volume 1 of the *Food Standards Code* is repealed at the end of the transition period.

The provisions in Standard P4 refer, in turn, to provisions in other standards of Volume 1 of the Code. So, in order to preserve the intent of the provisions in Standard P4, these provisions also need to be carried forward into the proposed Australia-only standard. These provisions, relating to foods and other substances that may be used in the making of wine, are:

- the definition and composition of ‘brandy’ and ‘grape spirit’ contained in Standard P3 – Spirits and Liqueurs;
- the definition and composition of sugars contained in Standard K1 – Sugar and Related Products; and
- restrictions on the use of food additives and processing aids to those listed in Standard P4.

It is the intent of this Proposal to place the provisions listed above together into an Australia-only wine production standard in a new Chapter (Chapter 4) of Volume 2 of the Code.

This will have the effect of continuing the original intent of these provisions, i.e., to underpin Australia’s EU Treaty on Wine, while removing the unsatisfactory regulatory practice of having provisions relating to a production standard (and intended for wine made only in Australia) in the joint Code’s standard on wine.

Assessment of this Proposal against ANZFA statutory objectives

The joint wine standard, Standard 2.7.4 – Wine and Wine Products, was developed against ANZFA’s three primary section 10 objectives relating to:

- the protection of public health and safety;
- the provision of adequate consumer information; and
- the prevention of misleading or deceptive conduct (see section 4.1).

Consistent with the Review’s general approach to remove unjustified prescription and to develop standards with provisions focussed on achieving these primary objectives, ANZFA’s joint standard on wine (Standard 2.7.4 – Wine and Wine Product) recognises accepted wine practices throughout the world. Wine imported into Australia need comply only with the joint standard, thus fulfilling Australia and New Zealand WTO obligations by recognising wine produced in other wine producing countries.

However Australia's Agreement with the EU on trade in wine, relies on Australian wine being recognised as wine of designated quality and origin (e.g. *appellation contrôlée*, DOC, *qualitäts wein* etc.) and the provisions in this minimally prescriptive joint standard do not implement these requirements.

Having previously developed the joint wine standard (Standard 2.7.4 – Wine and Wine Product) against ANZFA's primary section 10 objectives, and having found that there is no suitable location for the production provisions for wine, which are necessary to underpin Australia's Agreement with the EU on trade in wine, ANZFA proposes that the necessary production provisions for Australian wine be placed together in an Australia-only standard in a new chapter of the Code, Chapter 4, which will contain production and processing standards. In proposing this solution to the regulatory problem outlined earlier (see section 3), ANZFA has regard to its secondary objectives, especially that of promoting an efficient and internationally competitive food industry.

BACKGROUND

Australian wine sales to the European Union (EU) may be jeopardised when, at the end of the two-year transition period, Volume 1 of the *Food Standards Code* is repealed. The EU has already raised concerns about this with Australian officials.

The old Code has provisions for wine made in Australia that underpin the 1994 treaty between Australia and the EU (*Agreement between the EC and Australia on trade in wine*). These provisions ensure that all wine made in Australia (i.e., wine for export as well as for domestic consumption) is recognised by the EU as being wine of designated quality and origin (e.g. *appellation contrôlée*, DOC, *qualitäts wein* etc.) rather than as table wine. This simplicity results in an easier access of Australian-made wines into the European market because the EU recognises that all wine made in Australia, even wine intended only for domestic consumption, is made to acceptable standards.

In March 1995, ANZFA gazetted substantive changes to Standard P4 – Wine, Sparkling Wine and Fortified Wine of Volume 1 of the *Food Standards Code*. These provisions underpinned the 1994 Agreement on wine between Australia and the EU.

Standard P4 largely regulates production processes rather than the final food and prohibits winemaking practices more usually associated with lower quality table wine (for example, the production of wine from carbohydrate sources other than fresh grapes, the use of reconstituted grape juice concentrate and the addition of spirit other than brandy and grape spirit).

In addition, Standard P4:

- restricts the use of food additives and processing aids that can be used in the production of wine;
- restricts the addition of sugar to adjust alcohol levels in fermentation; and
- also has some additional compositional requirements for wine and provisions for labelling.

In the consultation held so far, there has been no indication that provisions in Standard P6 – Wine Products and Reduced Alcohol Wine need to be carried forward into Volume 2 of the Code. Comment on whether or not this may be necessary is specifically sought in the round of public consultation associated with this report.

REGULATORY OPTIONS AND IMPACT ANALYSIS

This Proposal involves transfer without substantive amendment of wine production provisions from Volume 1 of the *Food Standards Code* to Volume 2 of the *Food Standards Code*. Since there is no regulatory change proposed there will be no change to the impact on stakeholders.

CONSULTATION

ANZFA consulted extensively during the Review on matters relating to wine regulation in Australia and New Zealand, resulting in the development of the joint wine standard, Standard 2.7.4 – Wine and Wine Products. Because of the consultation on these matters during and since the Review, ANZFA proposes that this matter be progressed under s36, omitting one round of public comment, because if the Proposal is accepted:

- there will be no significant adverse effect on the interests of any party;
- the matter has been recently considered with extensive consultation during the recent Review, so stakeholders are well acquainted with the issues;
- the stakeholders are highly concentrated (Australian and New Zealand wine industry, Australian government departments with responsibility for agriculture and trade, New Zealand Government) and can be effectively targeted and consulted with one round of public comment;
- the provisions in question already exist but will be moved to an Australia-only standard in a new chapter of Volume 2 of the *Food Standards Code*, which is to contain production and processing standards.

In preparing this Initial/Draft Assessment ANZFA has established that:

- Representatives of the Wine Federation of Australia and of the Wine Institute of New Zealand (representing the makers of the majority of wine produced in both countries) fully support the proposed wine production standard; and
- Officials from Agriculture Fisheries and Forests – Australia (AFFA), the Australian Government Department with responsibility for major issues affecting wine (i.e. trade and agriculture), also support the proposed wine production standard.

World Trade Organization (WTO) notification

The proposed wine production standard will not apply to wine imported into Australia or New Zealand. It will affect only wine producers in Australia. Therefore no World Trade Organization (WTO) notification is considered necessary.

RECOMMENDATIONS

The combined Initial/Draft Assessment for P253 recommends:

- that production provisions for wine, currently in Standard P4 – Wine, Sparkling Wine and Fortified Wine of Volume 1 of the *Food Standards Code*, be placed without substantive amendment into an Australia-only standard, Standard 4.1.1 – Wine Production Requirements (Australia only), in a new chapter (Chapter 4) of Volume 2 of the *Food Standards Code*;
- that the provisions defining ‘brandy’ and ‘grape spirit’, referred to in Standard P4 and contained in Standard P3 – Spirits and Liqueurs of Volume 1 of the *Food Standards Code*, be placed without substantive amendment into Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code*;
- that the provisions defining sugars, referred to in Standard P4 and contained in Standard K1 – Sugar and Related Products of Volume 1 of the *Food Standards Code*, be placed without substantive amendment into Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code*;
- that provisions be placed in Standard 4.1.1 – Wine Production Requirements (Australia only) of Volume 2 of the *Food Standards Code* that restrict the use of food additives and processing aids to those that are currently listed in Standard P4;
- that consequential amendments be made to Standard 2.7.4 – Wine and Wine Products of Volume 2 of the *Food Standards Code*, removing references to Volume 1 of the *Food Standards Code* (viz: references to Standard P4 – Wine, Sparkling Wine and Fortified Wine, Standard P3 – Spirits and Liqueurs and Standard P6 – Wine Products and Reduced Alcohol Wine);
- that public submissions be sought in relation to these proposed draft variations to the *Food Standards Code*; and
- that public submissions be sought on whether production provisions for wine product, currently in Standard P6 – Wine Products and Reduced Alcohol Wine of Volume 1 of the *Food Standards Code* should also be placed Standard 4.1.1 – Wine Production Requirements (Australia only) in Volume 2 of the *Food Standards Code*.

ATTACHMENT

- 1 Draft variation to the *Food Standards Code*.

DRAFT VARIATION TO THE *FOOD STANDARDS CODE*

To commence: On Gazettal

Volume 2 of the Food Standards Code is varied by-

- [1] *omitting clause 3 and the following Editorial note in Standard 2.7.4; and*
- [2] *inserting immediately after Standard 3.2.3 –*

STANDARD 4.1.1

WINE PRODUCTION REQUIREMENTS

(Australia only)

Purpose

This Standard includes requirements for the production of wine in Australia only.

Table of Provisions

- 1 Interpretation
- 2 Application
- 3 Substances used in production
- 4 Processing aids
- 5 Composition
- 6 Sparkling wine
- 7 Fortified wine

Schedule Specifications for the Purposes of this Standard

Clauses

1 Interpretation

In this Standard –

brandy means the spirit obtained by the distillation of wine in such a manner as to ensure that the spirit possesses the taste, aroma and other characteristics generally attributed to brandy, in accordance with the requirements set out in the Schedule to this Standard.

fortified wine means the product consisting of wine to which has been added grape spirit, brandy or both.

grape spirit means the spirit obtained from the distillation of wine or the by-products of wine making or the fermented liquor of a mash of dried grapes and contains methanol in a proportion not exceeding 3 g/L at 20°C of the ethanol content.

sparkling wine means the product consisting of wine that by complete or partial fermentation of contained sugars has become surcharged with carbon dioxide.

wine means the product of the complete or partial fermentation of fresh grapes or products derived solely from fresh grapes.

2 Application

This Standard applies to the production of wine in Australia only, notwithstanding any provisions to the contrary elsewhere in this Code.

3 Substances used in production

(1) Subject to any limits imposed by clause 5 of this Standard, any of the substances specified in the Table to this clause may be added to wine, sparkling wine or fortified wine.

(2) In this clause -

mistelle means grape must or grape juice prepared from fresh grapes to which grape spirit has been added to arrest fermentation and which has an ethanol content between 120 mL/L and 150 mL/L at 20°C.

prepared cultures means cultures of micro-organisms including yeast ghosts used in wine manufacture with or without the addition of any one or more of thiamine hydrochloride, niacin, pyridoxin, pantothenic acid, biotin and inositol.

Table to clause 3

Additive
Ascorbic acid
Calcium carbonate
Citric acid
Diammonium hydrogen phosphate
Erythorbic acid
Grape juice including concentrated grape juice
Lactic acid
Malic acid
Metatartaric acid
Mistelle
Prepared cultures
Potassium carbonate
Potassium hydrogen carbonate
Potassium hydrogen tartrate
Potassium metabisulphite
Potassium sorbate
Sorbic acid

Sulphur dioxide
Tannin
Tartaric acid
Thiamin hydrochloride*
Uncharred oak

*Thiamin hydrochloride may only be added to wine, sparkling wine and fortified wine to facilitate the growth of micro-organisms.

4 Processing aids

Subject to any limits imposed by clause 5 of this Standard, any of the substances specified in the Table to this clause may be used in the production of wine, sparkling wine or fortified wine.

Table to clause 4

Processing aid
Activated carbon
Agar
Bentonite
Calcium alginate
Carbon dioxide
Casein
Copper sulphate
Diatomaceous earth
Egg white
Enzymes
Evaporated milk
Gelatine
Hydrogen peroxide
Ion exchange resins
Isinglass
Milk
Nitrogen
Oxygen
Phytates
Polyvinyl polypyrrolidone
Potassium alginate
Potassium caseinate
Potassium ferrocyanide
Silicon dioxide

5 Composition

- (1) Wine and sparkling wine must contain no less than 80 mL/L of ethanol at 20°C.
- (2) Fortified wine must contain no less than 150 mL/L and no more than 220 mL/L of ethanol at 20°C.
- (3) Wine, sparkling wine and fortified wine must not contain methanol –

- (a) in proportion exceeding 2 g/L of ethanol content at 20°C in the case of white wine and white sparkling wine; and
 - (b) in the case of other products, in proportion exceeding 3 g/L of ethanol content at 20°C.
- (4) Wine, sparkling wine and fortified wine must contain no more than –
- (a) 250 mg/L in total of sulphur dioxide in the case of products containing less than 35 g/L of sugars, or 300 mg/L in total of sulphur dioxide in the case of other products; and
 - (b) 200 mg/L of sorbic acid or potassium sorbate expressed as sorbic acid; and
 - (c) 100 mg/L of polyvinyl pyrrolidone; and
 - (d) 1 g/L of soluble chlorides expressed as sodium chloride; and
 - (e) 2 g/L of soluble sulphates expressed as potassium sulphate; and
 - (f) 400 mg/L of soluble phosphates expressed as phosphorus; and
 - (g) 1.5 g/L of volatile acidity excluding sulphur dioxide, expressed as acetic acid; and
 - (h) 0.1 mg/L of cyanides and complex cyanides expressed as hydrocyanic acid.
- (5) If potassium ferrocyanide has been used as a processing aid in the manufacture of a wine, sparkling wine or fortified wine, the final product must have residual iron present.
- (6) Wine, sparkling wine and fortified wine may contain water in proportion not exceeding 30 mL/L where the water is necessary for the incorporation of any substance specified in clause 2 or clause 3.

6 Sparkling wine

- (1) In addition to the substances permitted by clauses 3 and 4 of this Standard, sparkling wine may also contain –
- (a) grape spirit containing no less than 740 mL/L of ethanol at 20°C; and
 - (b) brandy containing no less than 571 mL/L of ethanol at 20°C; and
 - (c) those sugars specified in the Table to this subclause, in accordance with the specifications set out in the Schedule to this Standard.

Table to subclause 6(1)

Sugars
White sugar, loaf sugar, caster sugar, coffee sugar and raw sugar
Dextrose
Fructose
Glucose syrup
Dried glucose syrup
Invert syrup
Sugar syrup not elsewhere standardised

- (2) The addition of those foods specified in paragraphs (1)(a), (b) and (c) to sparkling wine must not increase its ethanol content by more than 25 mL/L at 20°C.
- (3) Sparkling wine must contain no less than 5 g/L of carbon dioxide at 20°C.

7 Fortified wine

- (1) Grape spirit used to make fortified wine must contain no less than 740 mL/L of ethanol at 20°C.
- (2) Brandy used to make fortified wine must contain no less than 571 mL/L of ethanol at 20°C.
- (3) In addition to the substances permitted by clauses 3 and 4 of this Standard, fortified wine may also contain caramel.

SCHEDULE

SPECIFICATIONS FOR THE PURPOSES OF THIS STANDARD

Brandy

- (1) Brandy -
 - (a) must be matured in wooden containers for no less than 2 years; and
 - (b) must contain no less than 250 mL/L of the spirit distilled at a strength of no more than 830 mL/L at 20 °C of ethanol; and
 - (c) may contain -
 - (i) water; and
 - (ii) caramel; and
 - (iii) sugars; and
 - (iv) grape juice and grape juice concentrates;
 - (v) wine; and
 - (vi) prune juice; and
 - (vii) honey; and
 - (viii) flavourings; and
 - (d) must not contain methanol in a proportion exceeding 3 g/L at 20 °C of the ethanol content thereof.

White sugar

- (1) In this Standard, **white sugar**, sometimes described as white refined sugar, means purified and crystallised sucrose.
- (2) White sugar shall have a polarisation of not less than 99.70Z.

Loaf sugar

- (1) In this Standard, **loaf sugar**, sometimes described as cube sugar, means white sugar or raw sugar that has been shaped, moulded or produced in a definite shape.
- (2) Water may be added to loaf sugar but, in other respects, it must comply with the compositional requirements of white sugar or raw sugar, as the case requires.

Caster sugar

- (1) In this Standard, **caster sugar**, sometimes described as castor sugar, means white sugar in the form of fine granules.
- (2) No less than 950 g/kg of caster sugar must pass through a sieve having a mesh aperture size of 0.599 mm.

Coffee sugar

- (1) In this Standard, **coffee sugar**, sometimes described as coffee sugar crystals, means amber-brown, free flowing, coarse grained crystals produced from sugar refinery syrups.
- (2) Coffee sugar must -
 - (a) have a polarisation of not less than 98.0°Z; and
 - (b) produce a weight loss, when dried at 105°C for 3 hours, of no more than 10 g/kg.
- (3) Coffee sugar must contain no more than -
 - (a) 10 g/kg of reducing sugars; or
 - (b) 10 g/kg of sulphated ash.

Raw sugar

- (1) In this Standard, **raw sugar** means free-flowing crystals of sucrose produced from partially refined sucrose syrups.
- (2) Raw sugar must -
 - (a) have a polarisation of no less than 98.5°Z and not more than 99.7°Z; and
 - (b) produce a weight loss, when dried at 105°C for 3 hours, of no more than 8 g/kg.
- (3) Raw sugar must contain no more than 8 g/kg of sulphated ash.

Fructose

- (1) In this Standard, **fructose** means purified and crystallised D-fructose.
- (2) Fructose must -
 - (a) contain no less than 990 g/kg of D-fructose; and
 - (b) have a pH of no less than 4.5 and no more than 7.0 for each 100 g/kg of aqueous solution; and
 - (c) produce a weight loss, when dried at 70°C for 5 hours, of no more than 5 g/kg; and
 - (d) have a colour of no more than 30 ICUMSA units.
- (3) Fructose must contain no more than 1 g/kg of sulphated ash.

Dextrose

- (1) In this Standard, **dextrose**, sometimes described as glucose, means purified and crystallised D-glucose, whether anhydrous, containing one molecule of water of crystallisation or both anhydrous and containing one molecule of water of crystallisation.

- (2) Dextrose must -
- (a) contain no less than 990 g/kg of anhydrous dextrose on a dry basis; and
 - (b) not being anhydrous dextrose or dextrose monohydrate, produce a weight loss, when dried at 105°C for 3 hours, of no more than 80 g/kg.
- (3) Dextrose must contain no more than 2.5 g/kg of sulphated ash.
- (4) Anhydrous dextrose must -
- (a) comply with paragraphs (2)(a) and (b); and
 - (b) produce a weight loss, when dried at 105°C for 3 hours, of no more than 20 g/kg.
- (5) Dextrose monohydrate must -
- (a) comply with paragraphs (2)(a) and (b); and
 - (b) produce a weight loss, when dried at 105°C for 3 hours, of not more than 100 g/kg.

Glucose syrup

- (1) In this Standard, **glucose syrup** means the viscous product that results from the partial hydrolysis of starch, being a product consisting of a mixture of dextrans, reducing sugars and water.
- (2) Glucose syrup must contain no less than 200 g/kg of reducing sugars, expressed as dextrose on a dry basis.
- (3) Glucose syrup must contain no more than 300 mg/kg of added sulphur dioxide.
- (4) Where glucose syrup is sold in containers of not more than 2 kg net weight, the syrup must -
- (a) contain no more than 10 g/kg of sulphated ash; and
 - (b) not produce a weight loss, when dried at 105°C for 3 hours, of more than 210 g/kg.

Dried glucose syrup

- (1) In this Standard, **dried glucose syrup** means glucose syrup from which the water has been substantially removed.
- (2) Dried glucose syrup must -
- (a) comply with paragraph (2)(a) of the specification for glucose; and
 - (b) contain no less than 930 g/kg of total solids.
- (3) Dried glucose syrup must contain no more than 40 mg/kg of added sulphur dioxide.

Invert syrup

- (1) In this Standard, **invert syrup** means a sugar syrup in which the sucrose has been partially or completely hydrolysed.
- (2) Invert syrup must contain no less than 550 g/kg of monosaccharides and disaccharides.
- (3) Invert syrup must contain no more than 50 g/kg of sulphated ash on a dry basis.

Sugar syrup not elsewhere standardised

- (1) In this Standard, **sugar syrup not elsewhere standardised** means an aqueous solution of sugars derived from any source, being a solution that is not defined in another definition in this Standard.
- (2) Sugar syrup not elsewhere standardised must contain no less than 550 g/kg in total of monosaccharides and disaccharides.
- (3) Sugar syrup not elsewhere standardised must contain no more than 50 g/kg of sulphated ash on a dry basis.