

New Zealand wine records 23rd consecutive year of export growth

New Zealand wine is celebrating its 23rd consecutive year of export growth according to the 2018 Annual Report of New Zealand Winegrowers. Export value has risen by 2.5% in June year end 2018, and is now valued at \$1.7 billion, with the USA continuing to be New Zealand wine's largest market with over \$500 million in exports.

The 2.5% increase comes despite export growth having been muted over the past year, due to supply constraints. Supply constraints are expected to continue to have an impact on export growth. "In the coming year we predict export growth will continue to be muted given that the 2018 vintage was smaller than we had hoped. The final outcome will also be affected heavily by the exchange rate, which is currently looking more favourable" said John Clarke, Chair of New Zealand Winegrowers.

Mr Clarke highlighted the Sustainable Winegrowing NZ (SWNZ) programme which continues to be a world leading sustainability initiative for the wine industry, with the SWNZ programme winning the Green Initiative of the Year award at The Drinks Business Green Awards in October 2017. "Our ongoing investment in the Sustainable Winegrowing NZ programme and strong commitment to biosecurity remain key activities in continuously improving economic, environmental and social outcomes" said Mr Clarke.

According to the Report wine tourism is surging in New Zealand, with 27% of international visitors to New Zealand visiting a winery. Touring New Zealand's stunning wineries and vineyards has become a huge drawcard for visitors – with 279 wineries offering wine tourism experiences throughout New Zealand's wine regions.

Mr Clarke noted exporters were watching with concern the growing uncertainty around international trade, particularly in relation to Brexit. "The UK is the second biggest export market for New Zealand wine with \$386 million in exports, and wineries will be watching closely over the next nine months to gauge the possible effects of Brexit on international trade".

Highlights over the last year include New Zealand wine's first Geographical Indications registered under the new Geographical Indications (Wine and Spirits) Registration Act 2006, and launch of the Women in Wine programme, an initiative to promote and facilitate the participation and success of women in the wine industry said Mr Clarke.

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The 2018 Annual Report can be accessed here: https://www.nzwine.com/en/news-media/statistics-reports/new-zealand-winegrowers-annual-report/

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