

TRADE IN WINE PRODUCTS AND SPIRITS

SECTION A

ARTICLE 1

Scope

This Annex applies to wine products falling under headings 2204 and 2205 and to spirits falling under heading 2208 of the HS produced in the Parties.

ARTICLE 2

Wine products definitions and oenological practices

1. Each Party shall make its best efforts to adopt definitions and oenological practices for wine products recommended and published by the International Organisation of Vine and Wine (hereinafter referred to as the "OIV").

2. Each Party shall authorise the importation and sale for consumption of wine products produced in the other Party, provided they have been made in accordance with:

- (a) the definitions of products established in each Party that are in accordance with the relevant OIV standard;
- (b) the oenological practices established in each Party that are in accordance with the relevant OIV standard; and
- (c) the definitions and oenological practices established in each Party that are not in accordance with the relevant OIV standard, as listed in Appendix 2-D-1.

3. If a Party proposes to authorise a new, or modify an existing, definition or oenological practice listed in Appendix 2-D-1 as referred to in point (c) of paragraph 2, it shall promptly notify the other Party in writing. The notification shall include a technical dossier with a full explanation of the rationale behind the new or modified definition or oenological practice. The other Party may object in writing within 90 (ninety) days after the date of receipt of the notification. If the other Party does not object, the amendment of Appendix 2-D-1 shall be deemed to be agreed by the Parties.

4. If the other Party objects within 90 (ninety) days after the date of receipt of the notification referred to in paragraph 3, the Parties shall consult each other with a view to finding a mutually agreed solution within 60 (sixty) days after the date of receipt of the objection. The period of 60 (sixty) days can be extended by mutual agreement of the Parties.

5. If the Parties reach an agreement during consultations, paragraphs 6 and 7 shall apply. If the Parties fail to reach such agreement during consultations, Appendix 2-D-1 shall not be amended.

6. The Trade Council may amend Appendix 2-D-1 to add new definitions or oenological practices or modifications of existing definitions or oenological practices agreed pursuant to paragraph 3 or 4.

7. In cases where there is an agreement pursuant to paragraph 3 or 4, a Party shall authorise the importation and sale for consumption of wines produced in the other Party after the date of application of the definition or oenological practice in the territory of the Party adopting such measure, even if a decision by the Trade Council pursuant to paragraph 6 has not been adopted or entered into force at that point in time.

SECTION B

ARTICLE 3

Labelling of wine products and spirits

1. A Party shall not require any of the following dates or their equivalent to be displayed on the container, label or packaging of wine products or spirits:

(a) the date of packaging;

- (b) the date of bottling; or
- (c) the date of production or manufacture.

2. A Party may require the display of a date of minimum durability on the container, label or packaging of wine products or spirits produced in the other Party that may have a shorter date of minimum durability than would normally be expected by consumers due to the addition of perishable ingredients.

3. A Party shall not require translations of trademarks, brand names or geographical indications to appear on the container, label or packaging of wine products or spirits produced in the other Party.

4. Each Party shall permit compulsory information, including translations, to be displayed on a supplementary label affixed to the container, label or packaging of wine products or spirits produced in the other Party. Such supplementary labels may be affixed after importation and prior to the product being offered for sale in the Party's territory, provided that the compulsory information of the original label is fully and accurately reflected.

5. The use of lot identification codes shall be permitted on the container, label or packaging and, if such codes are used, they shall not be deleted.

6. A Party shall not apply a labelling measure to wine products or spirits that were marketed in the other Party's territory prior to the date on which the measure entered into force, except if duly justified.

7. The use of drawings, figures or illustrations shall be permitted on the container, label or packaging of wine products or spirits produced in the other Party. Such drawings, figures or illustrations shall not replace compulsory labelling information and shall not mislead consumers about the characteristics and composition of the wine products and spirits.

8. The name of a vine variety may be included on labels on wine products imported into and marketed in the territory of a Party if such wine products are produced using that variety and such variety is mentioned in at least one list of the following organisations:

- (a) the OIV;
- (b) the International Union for the Protection of New Varieties of Plants; or
- (c) the International Board for Plant Genetic Resources.

The name of a vine variety of a Party containing or consisting of a protected designation of origin or a protected geographical indication of the other Party shall not be used in the labelling of wine exported to the other Party. As regards the list of geographical indications set out in Sections 1 and 2 of Annex 13-B, the Parties define in paragraph 3 of Appendix 13-B-1 the names of the plant varieties the use of which is not to be prevented. A Party may not prevent the use of vine varieties referred to in paragraph 4 of Appendix 13-B-1.

9. Wine products and spirits shall not be subject to allergen labelling with regard to allergens which have been used in the manufacture and preparation of the wine products and spirits and are not present in the final product¹.

10. For trade in wine products between the Parties, a sparkling wine may be described or presented with an indication of the product type specified in the International Code of Oenological Practices of the OIV.

11. The following names of wine products and spirits are protected, in accordance with the Paris Convention for the Protection of Industrial Property of 20 March 1883, as last revised at Stockholm on 14 July 1967:

- (a) the name of a Member State of the European Union for wine products and spirits originating in the Member State of the European Union concerned; and
- (b) the name of a Signatory MERCOSUR State.

¹ This does not apply to the labelling of gluten.

ARTICLE 4

Use of specific terms in wine products

1. The European Union shall allow the use of the wine terms listed in Part 1 of Appendix 2-D-2 on wine products from each Signatory MERCOSUR State marketed in the European Union, in accordance with the definition of these wine terms in the laws and regulations of that Signatory MERCOSUR State.
2. MERCOSUR shall allow the use of the wine terms listed in Part 2 of Appendix 2-D-2 on wine products marketed in MERCOSUR from the European Union, in accordance with the definition of these wine terms in laws and regulations of the European Union.
3. A Party may notify to the other Party an application for the inclusion of additional wine terms in Appendix 2-D-2. The notification shall include a technical dossier with the definition of the wine terms and a reference to the applicable laws or regulations of the notifying Party. The other Party shall notify within 6 (six) months after the date of receipt of the notification the result of the examination of such application. If, based on the results of the examination, the inclusion of the additional wine term is accepted, the Trade Council may decide by consensus to include it in Appendix 2-D-2.

ARTICLE 5

Certification of wine products and spirits

1. For wine products imported from a Party and placed on the market in the other Party, the documentation and certification that may be required by either Party shall be limited to the documents and certificates listed in Appendix 2-D-3.
2. Each Party shall authorise the importation into their territory of spirits in accordance with the rules governing the import certification document and analysis reports as provided for under its law.
3. A Party may introduce temporary additional import certification requirements for wine products and spirits imported from the other Party in response to legitimate public policy concerns, such as health or consumer protection or in order to act against fraud. In such cases, the other Party shall be given adequate information in sufficient time to permit the fulfilment of the additional requirements. Such requirements shall not extend beyond the period of time necessary to respond to the particular public policy concern in response to which they were introduced.
4. The Trade Council may adopt a decision to amend Appendix 2-D-3 with respect to the documentation and certification referred to in paragraph 1 of this Article.

ARTICLE 6

Applicable rules and national treatment

1. Unless otherwise provided for in this Agreement and without prejudice to the application of the provisions of Chapter 6, the importation and marketing of wine products and spirits shall be conducted in compliance with the laws and regulations applicable in the territory of the Party of importation.
2. Wine products imported from the territory of a Party shall be accorded treatment no less favourable than that accorded to like wine products of national origin.

SECTION C

ARTICLE 7

Transitional measures

Wine products and spirits which, at the date of entry into force of this Agreement, have been produced, described and presented in accordance with the laws and regulations of each Party and existing agreements applicable between the Parties, but do not comply with the provisions in this Annex, may be marketed under the following conditions:

- (a) by wholesalers or producers, for a period of 3 (three) years; and
- (b) by retailers, until stocks are exhausted.

DEFINITIONS AND OENOLOGICAL PRACTICES ACCEPTED BY THE PARTIES

1. Fresh lees

Fresh lees may be used under the specific and limited conditions set out in line item 11.2 of Table 2 of Part A of Annex I to Commission Delegated Regulation (EU) 2019/934 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards wine-growing areas where the alcoholic strength may be increased, authorised oenological practices and restrictions applicable to the production and conservation of grapevine products, the minimum percentage of alcohol for by-products and their disposal, and publication of OIV files.

2. Concentrated grape must, rectified concentrated grape must and sucrose

Concentrated grape must, rectified concentrated grape must and sucrose may be used for enrichment and sweetening under specific and limited conditions as provided for respectively in Part I of Annex VIII to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 and in Part D of Annex I to Commission Delegated Regulation (EU) 2019/934 as regards wine-growing areas where the alcoholic strength may be increased, authorised oenological practices and restrictions applicable to the production and conservation of grapevine products, the minimum percentage of alcohol for by-products and their disposal, and publication of OIV files, and Law No 7.678/1988, subject to the exclusion of use of these products in a reconstituted form in wine products.

3. Restriction of addition of water

The addition of water in winemaking is excluded, except where required to dissolve authorised oenological compounds used in winemaking.

WINE TERMS

SECTION A

EUROPEAN UNION

SECTION B

MERCOSUR

ARGENTINA:

Crianza¹, Dulce Natural², Fino³, Gran Reserva⁴, Reserva⁵, Vino Dulce Natural⁶, Vino Generoso⁷.

¹ The use of the term is allowed for wine products which are covered by a geographical indication.

² The use of the term is allowed for wine products which are covered by a geographical indication.

³ The use of the term is allowed for wine products which are covered by a geographical indication.

⁴ The use of the term is allowed for wine products which are covered by a geographical indication and have been aged in a barrel prior to bottling for at least 18 (eighteen) months for red wines and 12 (twelve) months for white and rosé wines.

⁵ The use of the term is allowed for wine products which are covered by a geographical indication and have been aged in a barrel prior to bottling for at least 12 (twelve) months for red wines and 6 (six) months for white and rosé wines.

⁶ The use of the term is allowed for wine products which are covered by a geographical indication.

⁷ The use of the term is allowed for wine products which are covered by a geographical indication.

Denominación de origen controlada (DOC), Indicación geográfica (IG), Indicación de Procedencia (IP)

BRAZIL:

Fino¹, Gran Reserva², Leve³, Reserva⁴.

Denominação de origem (DO), Indicação geográfica (IG), Indicação de Procedência (IP)

- ¹ The use of the term is allowed for wine products which are covered by a geographical indication.
- ² The use of the term is allowed for wine products which are covered by a geographical indication and have been aged in a barrel prior to bottling for at least 18 (eighteen) months for red wines and 12 (twelve) months for white and rosé wines.
- ³ The use of the term is allowed for wine products which are covered by a geographical indication.
- ⁴ The use of the term is allowed for wine products which are covered by a geographical indication and have been aged in a barrel prior to bottling for at least 12 (twelve) months for red wines and 6 (six) months for white and rosé wines.

URUGUAY:

Fino¹, Leve², Reserva³, Viejo⁴, Vino Generoso⁵.

Denominación de origen (DO), Denominación de origen controlada (DOC), Indicación geográfica (IG), Indicación de Procedencia (IP)

- ¹ The use of the term is allowed for wine products which are covered by a geographical indication.
- ² The use of the term is allowed for wine products which are covered by a geographical indication.
- ³ The use of the term is allowed for wine products which are covered by a geographical indication and have been aged in a barrel prior to bottling for at least 12 (twelve) months for red wines and 6 (six) months for white and rosé wines.
- ⁴ The use of the term is allowed for wine products which are covered by a geographical indication.
- ⁵ The use of the term is allowed for wine products which are covered by a geographical indication.

DOCUMENTATION AND CERTIFICATION OF WINE PRODUCTS

Certification documents and analysis report

1. Each Party shall authorise the importation into their territory of wine products in accordance with the rules governing the import certification documents and analysis reports as provided for according to the terms of this Annex.
2. The requirements for the importation of wine products into the territory of a Party shall be fulfilled by the presentation to the competent authorities of the importing Party of:
 - (a) a certificate issued by a mutually recognised official authority of the country of origin; and
 - (b) if the wine product is intended for direct human consumption, an analysis report drawn up by a laboratory officially recognised by the country of origin, including the following information:
 - (i) total alcoholic strength by volume;
 - (ii) total acidity, expressed as tartaric acid;
 - (iii) volatile acidity, expressed as acetic acid; and
 - (iv) total sulphur dioxide.

3. The Subcommittee on trade in wine products and spirits may adopt a decision to determine the details of the rules set out in paragraph 2 of this Appendix, in particular the forms to be used and the details of the information to be provided in the analysis report.
4. The methods of analysis recognised as reference methods and published by the OIV or, if an appropriate method is not recognised and published by the OIV, a method of analysis complying with the standards recommended by the International Organisation for Standardisation shall prevail as reference methods for the determination of the analytical composition of the wine product in the context of control operations.
5. The import of wine products originating in the territory of the other Party shall not be subject to import certification requirements more restrictive than those provided for in Annex 2-D.
