

EU-MERCOSUR – ANNEX X - TRADE IN WINE AND SPIRITS

Article 1

Scope and coverage

This Annex applies to wine products and spirits produced in Mercosur and the European Union falling under headings 2204, 2205 and 2208 of the International Convention on the Harmonised Commodity, Description and Coding System, hereafter referred to as the ‘Harmonised System’, done at Brussels on 14 June 1983.

Article 2

Wine definitions and oenological practices

1. The Parties shall make their best efforts to adopt definitions and oenological practices for wine products recommended and published by the International Organization of the Vine and Wine, hereafter referred to as the “OIV”.
2. The Parties shall authorize the importation and sale for consumption of wines produced in the other Party, if they have been made, according to:
 - a) The definitions of products established in each Party, which are in accordance with the relevant OIV standard;
 - b) The oenological practices established in each Party, in accordance with the relevant OIV standard; and
 - c) the definitions and oenological practices established in each Party that are otherwise than in accordance with the relevant OIV standard, listed in Appendix 1.
3. If a Party proposes to authorize a new, or modify an existing, definition or oenological practice under Appendix 1 referred to in paragraph 2(c), it shall promptly notify the other Party in writing. The notification shall include a technical dossier including a full explanation of the rationale behind the new definition or oenological practice. The other Party may object in writing within 90 days from the date of receipt of the notification, or else the amendment of Appendix 1 shall be deemed agreed between the Parties.
4. If the Party objects within the 90 days from the date of receipt of the notification referred to in paragraph 3, the Parties shall consult with a view to find a mutually agreed solution within 60 days from the date of receipt of the (notification of) the objection.

This period can be extended by mutual agreement of the Parties.

5. Appendix 1 shall be modified by decision of the Joint Committee to reflect the modification agreed by the Parties under paragraphs 3 and 4.
6. Without prejudice to the modification of Appendix 1 referred to in paragraph 5, and except

in cases where there is no agreement of the Parties to amend Appendix 1 referred to in paragraph 2 (c), a Party shall authorize the importation and sale for consumption of wines produced in the Party from the date of application of the definition or oenological practice in the territory of the Party adopting the measures.

Article 3

Labelling of wines and spirits

1. No Party shall require any of the following date or their equivalent to appear on the container, label, or packaging of a wine or spirit:

- a. date of packaging;
- b. date of bottling;
- c. date of production or manufacture;

2. A Party may require the display of a date of minimum durability on products that on account of the addition of perishable ingredients could have a shorter date of minimum durability than would normally be expected by the consumer.

3. No Party shall require translations of trademarks, brand names or geographical indications to appear on wines and spirit containers, labels, or packaging.

4. Each Party shall permit mandatory information, including translations, to be displayed on a supplementary label affixed to a wine and spirit container.

Supplementary labels may be affixed to an imported container of wines and spirits after importation but prior to the product being offered for sale in the Party's territory, provided that the mandatory information of the original label is fully and accurately reflected.

5. The use of identification lot codes shall be permitted and, when present, preserved from deletion.

6. No Party shall apply a measure to wines and spirits that were marketed in the Party's territory prior to the date on which the measure entered into force, except when duly justified.

7. Use of drawings, figures, illustrations shall be permitted on bottles. They shall not replace mandatory labelling information and shall not mislead the consumer as to the real characteristics and composition of the wines and spirits.

8. The name of wine varieties on the label may be used in wines imported and marketed in the territory of the Parties when such wines are produced with that variety and the variety is mentioned in at least one of the following lists:

- (i) the International Organization of Vine and Wine (OIV);
- (ii) the Union for the Protection of Plant Varieties (UPOV);
- (iii) the International Board for Plant Genetic Resources (IBPGR).

The name of a wine 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 wines exported to the other Party

As regards the list of geographical indications set out in Part A and B of Annex II of XXX The parties define in paragraph 3 of the appendix to Annex II the names of the plant varieties and the use of which shall not be prevented.

9. Wine 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 or spirit and are not present in the final product¹.

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

11. The following names are protected with regard to wines and spirits, in conformity with the Paris Convention:

- (a) the name of a Member State of the European Union for wines and spirits originating in the Member State concerned,
- (b) the name of a MERCOSUR Member State.

Article 4

Use of Specific Terms in Wine Products

1. The European Union shall allow the use of the wine terms listed in Appendix 2, Part A, in wine products marketed in the EU from Mercosur Member countries, as defined in their respective domestic legislation.

2. Mercosur shall allow the use of the wine terms listed in Appendix 2, Part B, in wine products marketed in Mercosur from the European Union, as defined in the EU legislation.

3. A Party may notify to the other Party an application for the inclusion of additional wine terms in Appendix 2, Part A and/or Part B. The notification shall include a technical dossier including the definition of the wine terms and the legislative reference. The other Party shall notify within 6 months from the date of receipt of the notification the result of the examination of the application. If based on the results of the examination, the inclusion of the additional term is accepted, the Sub-Committee may decide based on the consensus of the Parties to include it in Appendix 2.

Article 5

Certification of wines 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 that set out in Appendix 3.

2. The Parties shall authorise the importation in their territory of spirits in accordance with the rules governing the import certification document and analysis reports as provided for in their

¹ This provision does not apply to the labelling of gluten.

internal legislation.

3. The Parties reserve the right to introduce temporary additional import certification requirements for wines 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 this case, the other Party shall be given adequate information in sufficient time to permit the fulfilment of the additional requirements.

The Parties agree that 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 Parties may jointly decide to amend or modify Appendix 2 concerning documentation and certification referred to in paragraph 1. Such decisions shall be adopted by consensus in the Sub-Committee referred to in Article 8.

Article 6

Applicable rules and national treatment

1. Unless otherwise provided for in this Annex or in the Agreement and without prejudice to the application of the provisions of SPS Chapter XX importation and marketing of products covered by this Annex, traded between the Parties, shall be conducted in compliance with the laws and regulations applying in the territory of the Party of importation.

2. Wine products imported from the territory of any Party shall be accorded not less favorable treatment than that accorded to similar wine products of national origin.

Article 7

Transitional measures

Wine products and spirits which, at the date of entry into force, have been produced, described and presented in accordance with the internal laws and regulations of the Parties and their bilateral obligations to each other, but in a manner prohibited by the provisions in this Annex may be marketed under the following conditions:

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

Article 8

Sub-Committee on trade in wines and spirits and cooperation

1. The Parties agree to set up a Sub-Committee on trade in wines and spirits, herein referred to as ‘the Sub-Committee’, with the purpose of monitoring the development of this Annex, intensifying their co-operation and exchanging information.

2. The Parties shall through the Sub-Committee maintain contact on all matters relating to the implementation and the functioning of this Annex. In particular, the Parties shall ensure timely

notification to each other of amendments to laws and regulations on matters covered by this Annex that have an impact on products traded between them.

3. The Sub-Committee shall see to the proper functioning of this Annex and may make recommendations and adopt decisions by consensus.
4. The Sub-Committee shall determine its own rules of procedure.

Article 9

Cooperation on trade in wines and spirits

1. The Parties shall cooperate on and address issues related to trade in wines and spirits, in particular:
 - a) product definitions, certification and labelling of wines;
 - b) use of grape varieties in winemaking and labelling thereof;
 - c) product definitions, certification and labelling of spirits.
2. The bodies and authorities referred to in this Article shall closely and directly cooperate and shall seek ways of improving assistance to each other in the application of this *Annex* and in particular in order to combat fraudulent practices.

Article 10

Focal Points

1. To facilitate mutual assistance between enforcement authorities of the Parties, each Party shall designate the bodies and authorities responsible for the application/enforcement of this Annex. Where a Party designates more than one competent body or authority, it shall ensure the coordination of the work of those bodies and authorities. In that case, a Party shall also designate a single liaison authority that should serve as the single contact point for the authority or body of the other Party.
2. The Parties shall inform one another of the names and addresses of the bodies and authorities referred to in this Article no later than six months after the date of entry into force of this Article. The Parties shall inform each other of the changes of the bodies and authorities.

Appendix 1

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.

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 (Annex VIII, Part I of Regulation (EU) No 1308/2013 and art. 22 Brazil Federal Decree n° 8.198/2014), subject to the exclusion of use of these products in a reconstituted form in wines covered by this Annex.

3. Prohibition of addition of water

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

Appendix 2

Part A

Mercosur:

ARGENTINA:

Crianza², Dulce Natural³, Fino⁴, Gran Reserva⁵, Reserva⁶, Vino Dulce Natural⁷, Vino Generoso⁸.
Denominación de origen controlada (DOC), Indicación geográfica (IG), Indicación de Procedencia (IP)

BRAZIL:

Fino⁹, Gran Reserva¹⁰, Leve¹¹, Reserva¹².
Denominacao de origen (DO), Indicao geográfica (IG), Indicao de Procedencia (IP)

URUGUAY:

Fino¹³, Leve¹⁴, Reserva¹⁵, Viejo¹⁶, Vino Generoso¹⁷.
Denominación de origen (DO), Denominación de origen controlada (DOC), Indicación geográfica (IG), Indicación de Procedencia (IP)

² The use of the term is allowed for wines which are covered by a Geographical Indication.

³ The use of the term is allowed for wines which are covered by a Geographical Indication.

⁴ The use of the term is allowed for wines which are covered by a Geographical Indication.

⁵ The use of the term is allowed for wines which are covered by a Geographical Indication and have been aged in barrel prior to bottling for at least 18 months (for red wines) and 12 months (for white and rose wines).

⁶ The use of the term is allowed for wines which are covered by a Geographical Indication and have been aged in barrel prior to bottling for at least 12 month (for red wines) and 6 months (for white and rose wines).

⁷ The use of the term is allowed for wines which are covered by a Geographical Indication.

⁸ The use of the term is allowed for wines which are covered by a Geographical Indication.

⁹ The use of the term is allowed for wines which are covered by a Geographical Indication.

¹⁰ The use of the term is allowed for wines which are covered by a Geographical Indication and have been aged in barrel prior to bottling for at least 18 months (for red wines) and 12 months (for white and rose wines).

¹¹ The use of the term is allowed for wines which are covered by a Geographical Indication.

¹² The use of the term is allowed for wines which are covered by a Geographical Indication and have been aged in barrel prior to bottling for at least 12 month (for red wines) and 6 months (for white and rose wines).

¹³ The use of the term is allowed for wines which are covered by a Geographical Indication.

¹⁴ The use of the term is allowed for wines which are covered by a Geographical Indication.

¹⁵ The use of the term is allowed for wines which are covered by a Geographical Indication and have been aged in barrel prior to bottling for at least 12 month (for red wines) and 6 months (for white and rose wines).

¹⁶ The use of the term is allowed for wines which are covered by a Geographical Indication.

¹⁷ The use of the term is allowed for wines which are covered by a Geographical Indication.

Part B

European Union:

Appendix 3

Documentation and certification of wine products

Certification documents and analysis report

1. The Parties shall authorise the importation in their territory of wines in accordance with the rules governing the import certification documents and analysis reports as provided for according to the terms of this Part.
2. The evidence that the requirements for the importation of wine in the territory of a Party have been fulfilled shall be supplied to the competent authorities of the importing Party by the production:
 - (a) of a certificate issued by a mutually recognised official authority of the country of origin; and
 - (b) if the wine is intended for direct human consumption, of an analysis report drawn up by a laboratory officially recognised by the country of origin. The analysis report shall include the following information:
 - (i) total alcoholic strength by volume
 - (ii) total acidity, expressed as tartaric acid
 - (iii) volatile acidity, expressed as acetic acid
 - (iv) total sulphur dioxide.
3. The Parties shall determine by decision adopted by consensus by the Sub-Committee 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 Parties agree that the methods of analysis recognised as reference methods by the OIV and published by that Office or, where an appropriate method does not appear in this publication, a method of analysis complying with the standards recommended by the International Organisation for Standardisation (ISO), shall prevail as reference methods for the determination of the analytical composition of the wine in the context of control operations.
5. The Parties agree not to submit the import of wine originating in the territory of the other Party to more restrictive import certification requirements than any of those laid down in this Agreement.