

Indian whiskey makers await reciprocal market access to Australia

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Days after Australia gained lower duty access for its high-end wines under the India-Australia interim trade deal, India's alcoholic beverage makers said they are still waiting for reciprocal access for their products. The two governments are working to set up a joint working group over the next few months to iron out differences over market access.

The issue with alcohol pertains to maturation rules, where Australian customs laws

allow only those whiskies and spirits that have been matured for at least two years. However, the Indian side has been pressing for removal of this condition, arguing that Indian whisky matures faster due to the warmer climate and a two-year maturation results in 10% loss due to evaporation.

The Indian alcoholic beverage lobby has urged the government to ensure that the joint working group agrees to a formula to arrive at a mutually acceptable position, along with timelines and milestones pertaining to access of Indian whiskies and other spirits. The two sides are discussing



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the composition of the joint working group and whether it will also have industry representatives on it besides government officials.

"Discussions are going on regarding the setting up of the working group. We have time till June to set it up and we are consulting our industry to

ensure the best possible outcome," said a government official. India is particularly interested in market access for its rums and whiskeys, according to an industry representative.

According to the side letters of ECTA signed by the trade ministers of India and Australia, market access for Indian spirits will be examined by a working group, which will meet within six months of the agreement coming into force.

"The Parties shall consider issues relating to market access, including maturation rules for whiskey and other alcoholic beverages...Both parties shall regularly review

the progress of the Working Group through the Subcommittee on Trade in Goods," according to the side letter. Queries emailed to the ministry of commerce and industry and the Australian High Commission on Wednesday remained unanswered till press time. "We are aware that the two governments are looking into the working group matter. We hope that the WG is rolled out promptly so that the subsequent detailing of work streams and related timelines could be worked out and the team could thrash out a solution," said Vinod Giri, director general, Confedera-

tion of Indian Alcoholic Beverage Companies (CIABC).

He added that the CIABC has already submitted what its members think should be the remit and broad scope of matters to be taken up by the working group. "India is predominantly a distilled spirit or liquor manufacturer. Hence, a great amount of benefits from the Australia FTA for India is locked in the Australian non-tariff conditions such as minimum maturation for whisky," he said. India is fast emerging as a producer of high quality single malt whiskies like Amrut, Rampur and craft gins like Jaisalmer, Terai, and Stranger & Sons.