

The Japan Times



Chilean wines are displayed on a shelf at a New York wine shop. | BLOOMBERG

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Imports of Chilean wine surge in Japan

Imports of bottled wine from Chile are surging, thanks in part to a bilateral economic partnership agreement that has lowered the import tariff.

Chilean wine was second in annual imports in Japan in 2013 on a country-by-country basis, beating Italian wine.

This year, Chilean wine imports were No. 1 on a monthly basis in January and May, closing in on imports of French wine.

“Chilean wine suits the Japanese taste,” an industry source said.

Japan started full-fledged imports of Chilean wine in the late 1990s.

After the trade pact with Chile took effect in September 2007, the tariff on Chilean wine fell to 5.8 percent, against a 15 percent tariff, or ¥125 per liter, imposed on other imported wine. The tariff on Chilean wine will be scrapped in April 2019.

The amount of Chilean wine imported in 2007 grew 31.3 percent from the previous year to 10,517 kiloliters. Annual import amounts have since increased by more than 20 percent on average.

In 2013, Chilean wine imports rose to 36,435 kiloliters. In January-May this year, cumulative imports stood at 17,349 kiloliters, coming close to 19,093 kiloliters for French wine.

Chilean wine has always been popular to a certain extent, an official at a major importer said, adding that the effects of the EPA are not that big.

Still, the European Union believes that the Japan-Chile EPA is one reason for the fall in the EU's share of the Japanese wine market.

As an EPA signed by Japan and Australia on July 8 includes a plan to abolish the wine tariff in seven years, the EU is increasingly worried about its position in the Japanese market.

The EU believes it can create a level playing field with such competitors as Chile and Australia if the Japanese tariff on European wine is scrapped.

Japan and the EU hope to conclude an EPA by the end of next year.