

# Mitigation, adaptation or innovation?



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@The\_AWRI  
#newclimate



The AWRI

# Mitigation, adaptation or innovation?



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Research Institute

Mitigation

**INTERVENTION**



Adaptation

**BUSINESS  
AS USUAL**



**opportunities**

# Extension and outreach



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Supporting Australia's  
grapegrowers and  
winemakers to adapt  
to a new climate.



**opportunities**  
in a new climate

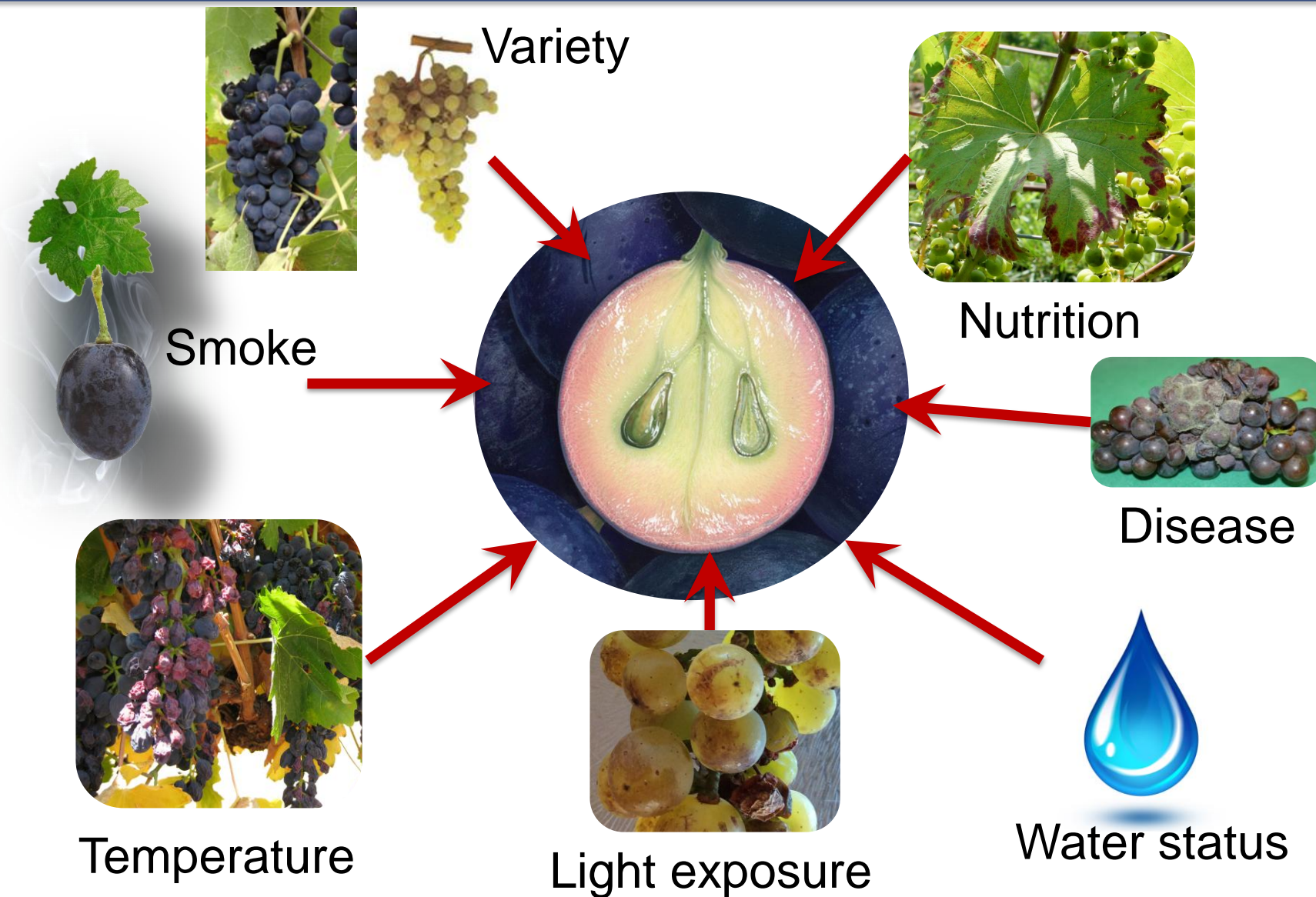
The project team **Matt Holdstock, Mardi Longbottom, Marcel Essling**  
and **Geoff Cowey** from the **Australian Wine Research Institute.**



# Why is the wine industry affected by climate change?



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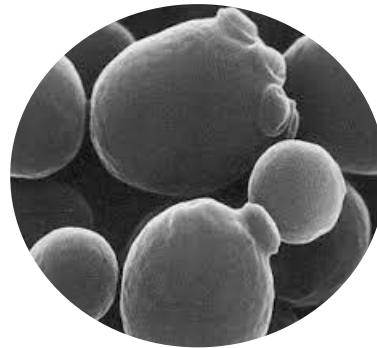
# Why is the wine industry affected by climate change?



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# The wine challenge



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**Expectation**

**Every time**



# The vineyard challenge



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# The business of wine



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# The grower perspective



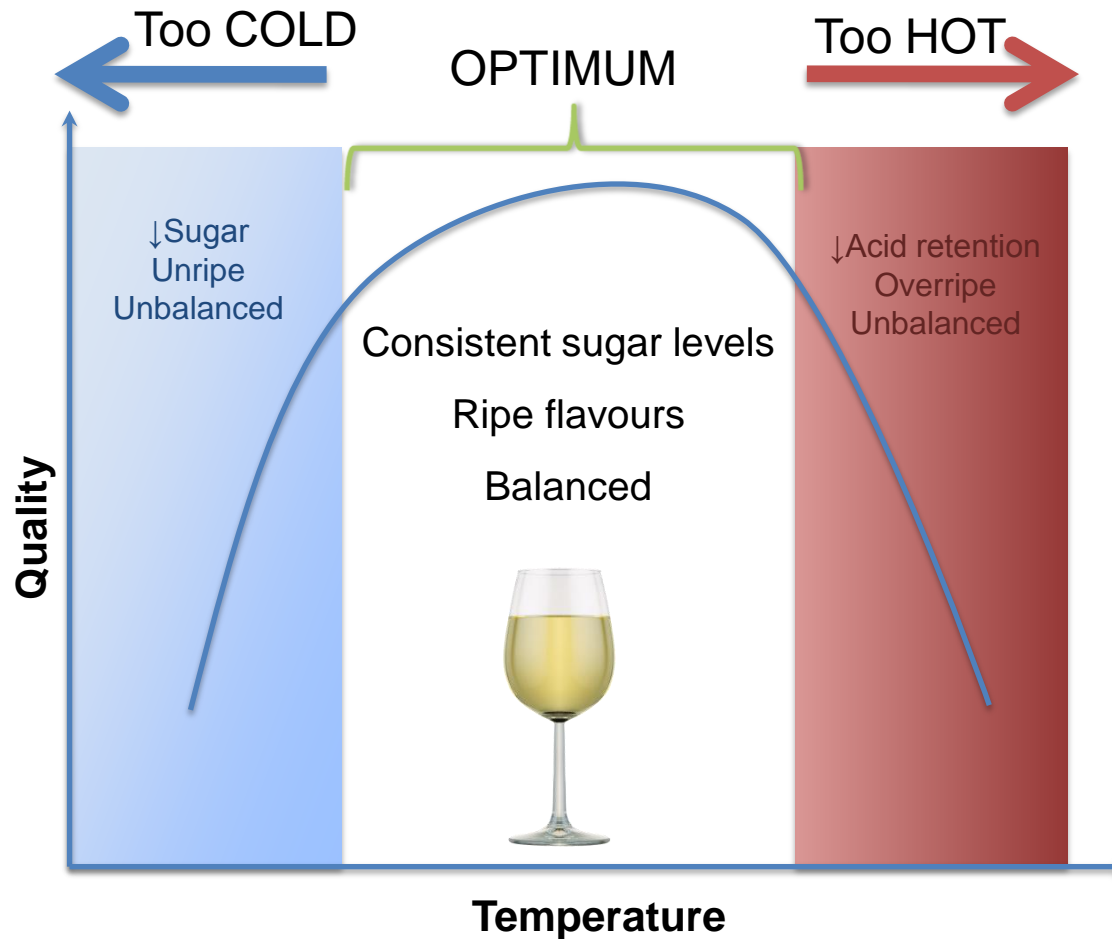
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# Temperature and wine quality



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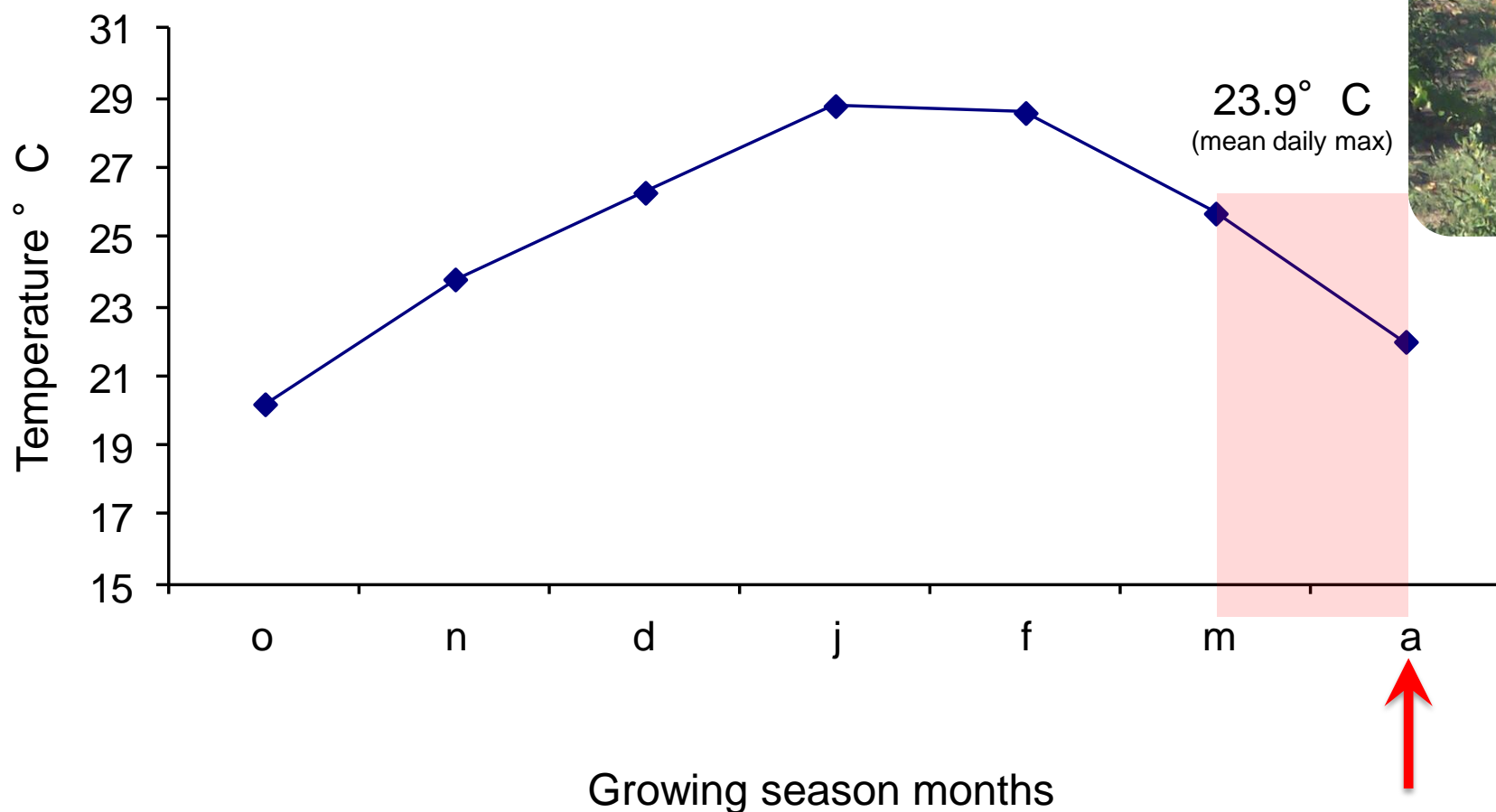
Redrawn from Greg Jones



# Example: LSC Cabernet Sauvignon



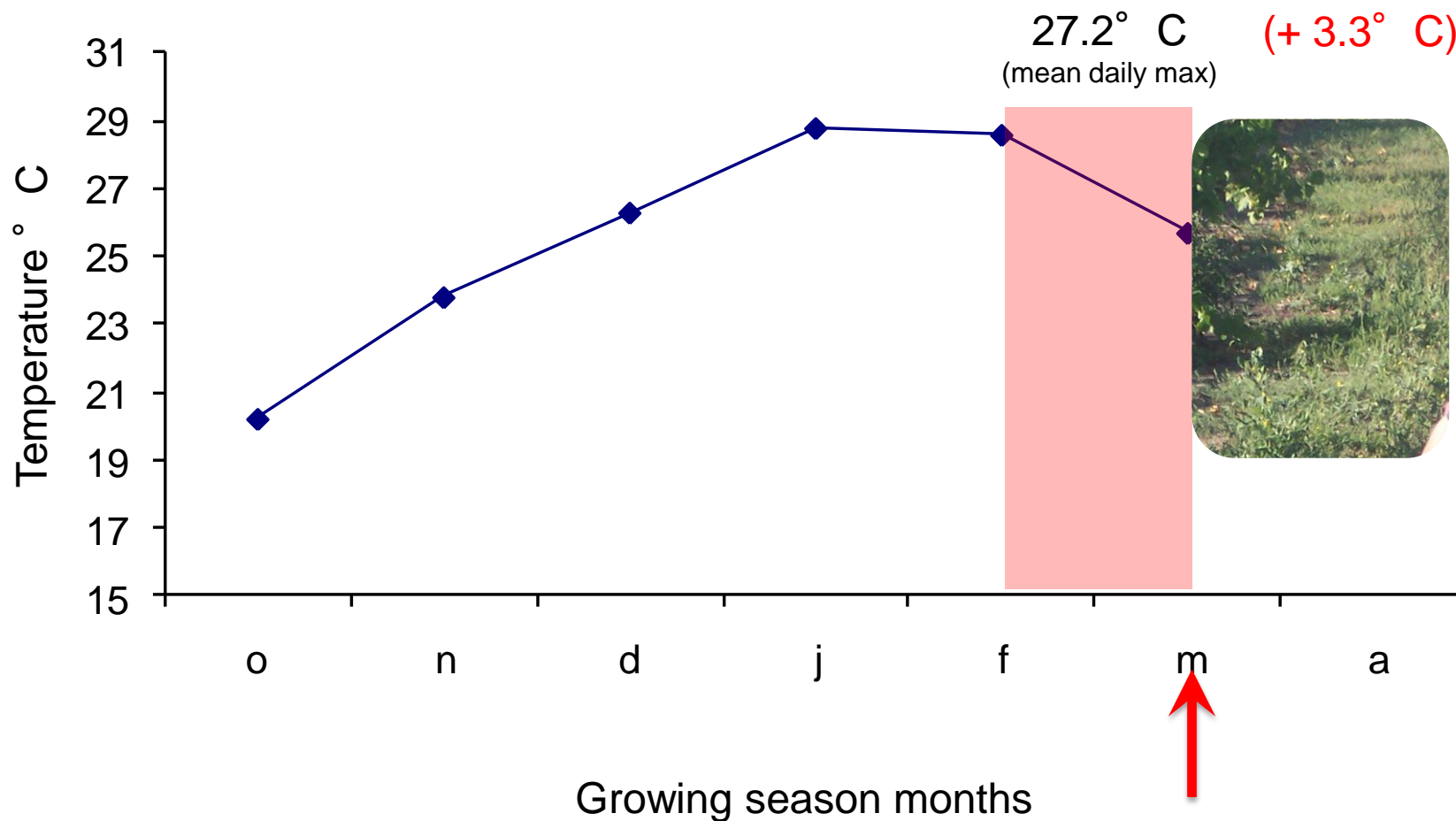
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# Example: LSC Cabernet Sauvignon



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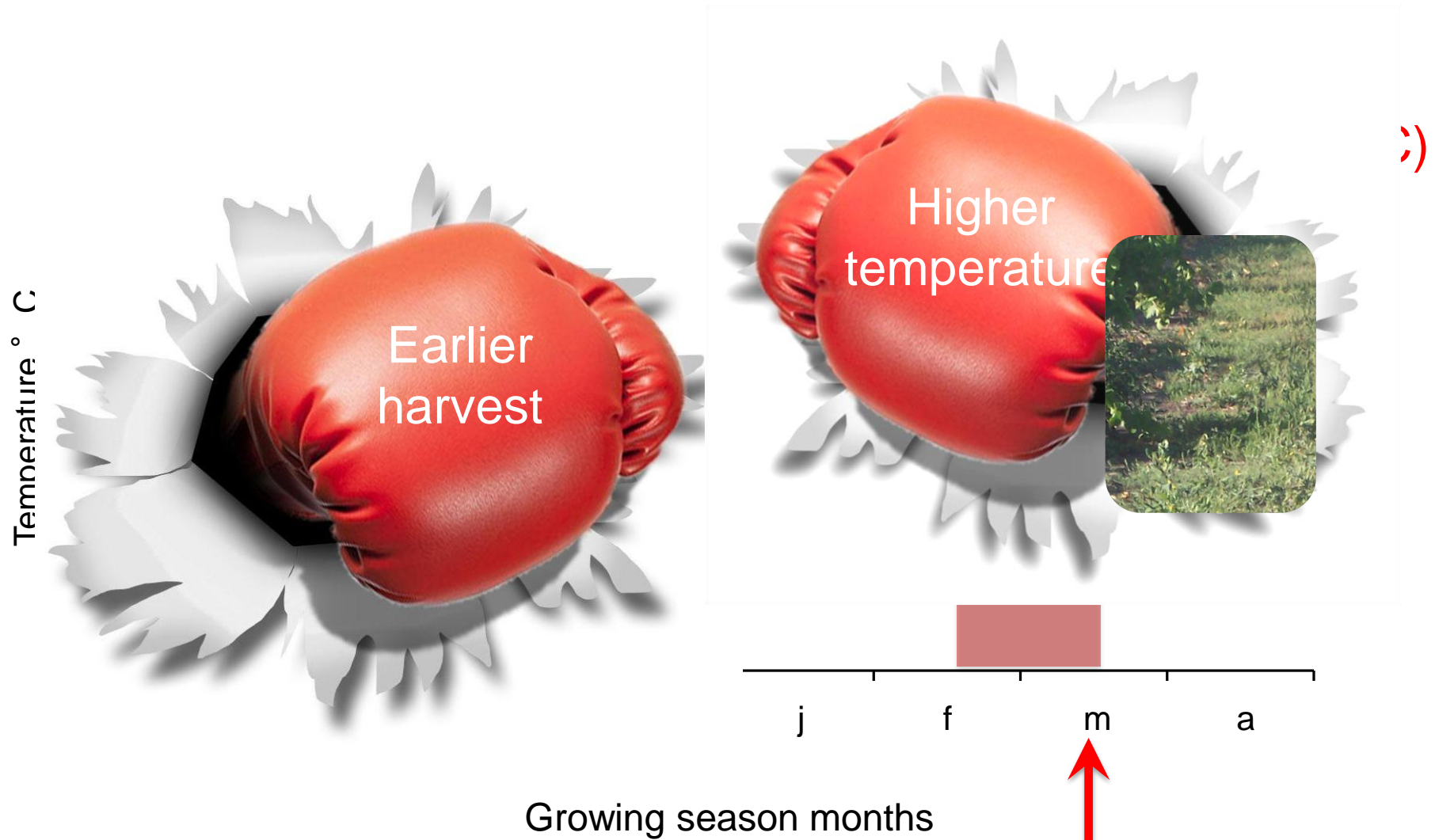




# Example: LSC Cabernet Sauvignon



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# Heat waves – yield & quality loss



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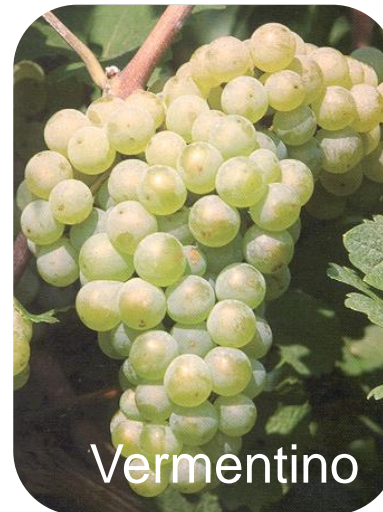




# Higher grape sugar and alcohol



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# Compressed growing season



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JUL

AUG

SEP

OCT

NOV

DEC

JAN

FEB

MAR

APR

MAY

JUN



# Compressed growing season



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## In the vineyard:

- Vigilance
- Logistics



# Bushfires & smoke taint



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Major smoke events 2003, 06-07, 09, 13

- 2009 - 40% loss of Victorian production
- Legal disputes
- Loss of fruit, wine, brand image & shelf space





# Frost



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In-season



Long-term



# Wet seasons



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Photo: Jan O'Connor



Photo: R Muhlack



2011 - 1 in 5 queries received was related to wet weather



# The climate change challenge



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# Market access



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# Trends from major customers



Sainsbury's



Supplier scorecard

Carbon labelling  
e- targets

Code of conduct  
2011  
Supplier audits 2012

Ethical sourcing  
policies



Consumers are *starting* to consider what they can do to adapt to climate change...



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**70%** Concerned about the increase in food prices

**54%** Look for things to address and change in everyday life as a result of the challenges of climate change

**54%** Think about what is acceptable and sustainable with respect to products, packaging and consumption



## **Scenario 1: Favourite Sauvignon Blanc temperature affected**

**30%** Likely to purchase Sauv Blanc from another region

**24%** Likely to substitute another variety of wine

**EW** Continue to purchase Sauv Blanc from the Adelaide  
**(14%) Hills**





## **Scenario 2: Award-winning Margaret River to Stanthorpe**

**56%** Most likely to continue purchasing

**21%** Most likely to purchase a different type of wine instead

**\$1.30** Price premium (likely because it is award winning)

# Implications for the wine industry



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What are the opportunities for the wine industry?

How will our key growth markets view the Australian wine industry's efforts towards climate change?





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**opportunities**  
in a new climate

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