

# The riddle of the two-headed thirsty dragon

*China isn't just an importer of prestige reds – it's set to become a producer on a vast scale*



**VICTORIA MOORE**

If you're still laughing at stories of Chinese wine drinkers ordering Lafite, and then diluting it with Coca-Cola, you're out of date. Chinese taste has become more sophisticated, and more educated, and it's happened very quickly. A more telling tale is the one of businessman Wang Zhe from Guangzhou who recently pitched up at a Hunter Valley vineyard wearing a red hoody and Prada loafers, and announced he liked the 10-year-old chardonnay he was drinking so much that he'd like to buy the entire vintage.

Wang Zhe, whose cellar is apparently already full of bordeaux and burgundy, said: "I've tried a lot of wine from different countries, and after that I thought, 'Australian wine is very good'"

There have been no end of myths generated around China and its potential for making – but more especially consuming and buying – wine. Most prevalent is the idea of China as a two-headed dragon, that on the one hand (or, rather, head) might suck the world's vineyards dry and create a global wine shortage; on the other, that might begin to produce its own wine on a vast scale, the likes of which the world has never seen.

At first the story of China and its adventures in wine was all about fine wine, initially from Bordeaux, now also Burgundy. Its impact on the fine

wine market has been well documented: in the years preceding 2011 Asian buyers sent the price of top bordeaux into orbit, before a crash from which prices are now recovering.

We also hear a lot about the Chinese penchant for buying minor Bordeaux chateaux – about 160 are thought to be in Chinese hands, though last year Jane Anson, Bordeaux expert for *Decanter*, warned that up to 40 of those "could be back on the market".

Now the Chinese thirst is diversifying. The story of Wang Zhe is telling. China imported 746 million

litres of wine last year, almost double the volume that went into the country in 2013, according to Chinese customs information. This is equivalent to more than half of all the wine produced in

Australia. (As it happens, Australian wine is experiencing a Chinese boom, thanks to a free-trade agreement signed at the end of 2015 that steadily cut import tariffs, which will be scrapped

completely in 2019. According to figures from

Wine Australia, last year wine exports to mainland China rose by 54 per cent in volume, to 153 million litres.) The lion's share of what China imported was red – Chinese wine drinkers still prefer its prestige – but among whites, chardonnay and riesling are popular.

The effect is noticeable: buyers from British supermarkets tell me they are beginning to find it harder to source cheaper Australian wine because so much of it is being shipped to China.

For some new wine producers elsewhere in the world, such as those making English sparkling wine, the Asian market is key to the business plan. But China has vineyards, too. Accurate statistics are hard to come by but Lenz Moser, an Austrian who makes wine there, refers me to Alibaba

Big Data which I suspect is still best treated as a best guess, rather than gospel. According to this, China produced 1.137 billion litres of wine in 2016.

I recently tried some of them at an event put on by the International Wine and Spirit Competition. The tasting consisted of bottles that had been entered into the competition and were considered good enough to win a medal. I can't pretend I will be putting any on my drinking list, but what struck me was the clear sense of progress. The whites had a credible freshness and tasted of the grapes they were made of (this is not always the case with emerging region wines).

The reds weren't quite on track, but they were closer than I had



anticipated, and some had a pleasing Bordelais herbal quality. Many of the wines were from Xinjiang, in the north-west where, according to *The Oxford Companion to Wine*, 21.5 per cent of China's vineyards are planted. A number came from Ningxia, an autonomous region about 750 miles from Beijing. "In so far as Chinese people think of Ningxia at all, it is as a place of deprivation and backwardness," according to Jiayang Fan, writing in *The New Yorker*

Ningxia accounts for a smaller percentage of China's vineyards but it is becoming well known outside China and offers an illustration of how we might expect to see Chinese wine grow in coming years. In Ningxia, they have set about making wine with diligent persistence and ambition.

There has been government investment in a wine route similar to the ones you find in France. According to Alibaba Big Data, Ningxia has 100 active wineries, with a further 80 under construction and 50 that have applied for a warrant.

The vineyard area covers 79,000 acres and is set to double by 2020. To put this into context, Marlborough, in New Zealand, has 59,000 acres.

The European luxury goods conglomerate LVMH invested here, establishing Chandon China in 2013. The sparkling wine outpost makes fizz from locally grown grapes, to be drunk on the local market and claims to have produced the first Chinese sparkling wine "to international standards".

It's also in Ningxia that Moser works, based at Chateau Changyu-Moser, a winery that looks like a cartoon French chateau, complete with moat, a string of fountains, and that most modern of accoutrements, a 54,000 sq ft tasting room.

The extraordinary chateau cost €70 million (£61.35 million), and was constructed in an impressive two years flat. It's as potent a symbol as any of the potential force of China's relatively new entry into the modern wine world. Now we watch to see where it goes.

Buyers tell me it is harder to find cheap Australian wine because so much is shipped to China





### WINES OF THE WEEK

**CHATEAU MUSAR 2006, BEKAA VALLEY, LEBANON** (14%, Waitrose, £18.74 down from £24.99 until 3 April)

Chateau Musar is still Lebanon's most famous red: a very unmodern blend of cabernet sauvignon, syrah and cinsault, with a farmyard whiff and a noseful of furniture polish. This is a good chance to catch it on offer, and it's great with lamb, especially if spices are involved.

**MAGNUM OF THE SOCIETY'S EXHIBITION RIOJA 2010, SPAIN** (13.5%, The Wine Society, £30)

I've just seen the sales figures for TWS

recommendations I made in my top wines under £10 list. Wow. If you want some you had better hurry. Also grab one of these incredible mags of mellow, barrel-aged rioja, made by La Rioja Alta. Smooth and round, a luxurious bottle to share with friends.

**AUSTRALIAN SHIRAZ 2017, AUSTRALIA** (14%, M&S, £5.50)

So juicy is this very easy-going Australian red that I'm tempted to call it beaujolais meets shiraz. All mulberries, blackcurrants and red plums, it's smooth and bright and very good value.





ILLUSTRATION: ZOË BARKER FOR THE TELEGRAPH

