

Asia - the last continent

14 May 2010 by Jancis Robinson/FT

When I started out writing about wine in the 1970s I was told firmly that the Asians would never become wine drinkers. There was commonly supposed to be something about the Asian palate and physiology that had them forever cast as either teetotalers or beer or spirits drinkers. Some of them might occasionally sip a rice-based ferment, but grapes were definitely out. When, for example, the Liu brothers from Hong Kong starred in the [Oxbridge wine tasting teams in the late 1970s](#), they were considered the exceptions who proved the rule.

How very wrong we all were. It is no exaggeration to say that Asia has become the focus of the world's fine-wine trade. And it has happened in a remarkably short time - principally since February 2008 when the Hong Kong government very deliberately [slashed wine duty to zero](#) in an effort to make the southern Chinese enclave a fine-wine hub. Today more fine wine is auctioned on Hong Kong island than anywhere else in the world and virtually all of the fine-wine traders who clustered around London and its salerooms and fine-wine storage now have a Hong Kong outpost that is an oriental tail very firmly wagging the occidental dog. On Monday last week, for example, a bank (and office) holiday throughout the UK, it was a normal working day for the likes of Farr Vintners, so few of their customers nowadays are based in the UK, and so many are hard-working Asians.

A significant proportion of the wine bought in Hong Kong finds its way to other parts of Asia, mainland China in particular but also to Indonesia, Taiwan, Singapore, South Korea and of course Macau. Many of these countries have extremely high duties on wine, typically ad valorem taxes that are particularly punitive for fine wines, so some entrepreneurs have developed businesses specifically designed to minimise the duty collectors pay when importing wine into their own country from Hong Kong. Because Chinese regulations permit duty-free hand carrying of bottles into China, some businessmen run teams of wine mules over the border, the human equivalent of the white vans that used to be so prevalent importing supposedly 'personal allowances' of duty-free drink and cigarettes from mainland Europe into the UK.

Hundreds of fine-wine traders, French merchants and Bordeaux châteaux owners have China's new millionaires firmly in their sights, and will be hoping to carve a direct route to them the week after next when Vinexpo, the Bordeaux-based company that operates a biennial wine fair in Bordeaux, holds a counterpart in Hong Kong. Indeed the very existence of this opportunity for meeting and greeting the supposed top bidders is given as an excuse for postponing the release of keenly anticipated prices of the [2009 bordeaux primeurs](#).

When I was in [China in March](#) I asked leading figures in the wine trade there how many individuals they thought were willing, able and keen to buy first-growth bordeaux 2009 (which some are predicting will cost more thousands of pounds per dozen than ever before). Answers varied between 5,000 and 10,000 – certainly far more than there are in the cash-strapped traditional markets. Certainly Chinese magazines, even general-interest magazines, are now peppered with ads for wine, apparently a symbol of sophistication, along with luxury fashion labels. The next generation of major players in the Bordeaux wine scene are now very much more likely to be sent on apprenticeships in Shanghai or Hong Kong than in New York or London.

But the Asian wine scene is very much more than Hong Kong and China. Japan and Singapore have long histories of connoisseurship. Japan, the first Asian market to show real interest in importing top-quality European wine, is still very much a player, despite recent economic vicissitudes. The Singapore wine market is much livelier than it has ever been, and is very much more dependent on local entrepreneurship than on any foreign influence. Importers, often allied with the restaurant business, sell direct to the public, and tend to do so in a much more creative, user-friendly way than most British wine buyers are used to. A major new development in the Singapore wine market has been the opening, against some muted opposition, of two large casinos. Their buyers, on behalf of their high rollers, can absorb all the grand cru burgundies and first growths that their suppliers can source for them. In fact one notable development in Singapore is that more and more wine lovers are realising that tough, tannic red bordeaux may not be the ideal wine for their sultry climate. Red burgundies, and Pinot Noir in general, is increasingly appreciated there, along with the equally chillable Riesling and Sauvignon Blanc.

The Asian country with perhaps the greatest current growth in demand for fine wine is another with a Singaporean climate, Indonesia. Duties on wine in Indonesia are as high as both temperatures and humidity, however, which is presenting challenges for even the most creative wine importers and exporters. Despite its latitude, Indonesia is home to

no fewer than three wineries, all on Bali, and at least one dependent on grape juice imported from Australia.

The French tried to introduce viticulture to Vietnam in the 19th century but today wine produced by wineries there is based, as in most Asian countries, on a mixture of home-grown grapes and bulk imports. Great efforts have been made to develop local vineyards and winemaking expertise in Thailand, however, and heavy local import taxes give them a huge price advantage over even cheaper imports from Chile and the like. As in China, there are far more deliberate attempts to develop wine tourism than there are in most of Europe.

India has its own wine industry, its own punitive wine duties, and its own very distinctive drinking habits. Even the most determined French wine exporter has found it hard to break the Indian social tradition of drinking long and hard - whether wine, spirits or beer, or all three – before rather than with food. Indeed parties tend to be measured a success by how late the food is served, a long way from the stately progress of a traditional French dinner with wine.

What India does share with most of Asia, however, and particularly with China, Hong Kong and Singapore, is the extent to which wine is associated with status. Recipients of hospitality will routinely check the scores and price of the wines they have just been served – unless of course their host was brazen enough to assure them at the time of serving that they were 'hundred-point wines'.

Asia undoubtedly presents glorious opportunities for the world's wine producers – even if for us wine consumers it is having a distastefully inflationary effect on prices at the very top end. But because wine and face are so intimately intermingled, it is also paradise for unscrupulous traders passing off fake wine, everything from the most obvious 'Château Lofite' to much more cunning, and ambitiously priced, counterfeits. Those tracking down fine-wine fraud are finding it even more difficult to persuade collectors in Asia than those in the US or Europe that some of their bottles may not be genuine.

See our continuing pictorial series on [China - the genuine and the ingenious](#).