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Wine Australia Launches A$50 Million Fund to Transform Innovation in Wine Sector

New initiative targets research and tech startups to boost sustainability, efficiency, and global competitiveness for grape growers and winemakers

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Wine Australia has launched a new A$50 million (U$35.42 million) initiative called the Australian Wine Future Fund, aiming to change how innovation is financed in the country's grape and wine sector. The fund is designed to expand funding options, speed up the development of impactful solutions, and add value throughout the industry's supply chain. It also seeks to help the sector address ongoing challenges related to production, sustainability, and global competitiveness.

The fund consists of two main components: a Research and Innovation Fund and a Venture Investments Portfolio, both set to operate over five years. The Research and Innovation Fund aims to raise A$35 million (U$24.79 million) by working with universities, state governments, research institutes, and private companies. This component will co-fund projects that focus on improving vineyard performance, sustainability, efficiency, packaging, and product innovation.

According to Dr. Martin Cole, CEO of Wine Australia, the fund is intended to "futureproof investments that deliver tangible impact where it is most needed in response to challenges facing grape growers, winemakers and wine businesses." He noted that in the current financial year alone, A$4.77 million (U$3.37 million) in additional co-investment for research has already been secured through this mechanism. These funds are supporting research, commercialization efforts, and capability-building initiatives that directly address sector challenges.

Among the projects supported are improvements to Sustainable Winegrowing Australia, developed in partnership with Australian Grape & Wine and the Australian Wine Research Institute. The fund has also backed ten additional research projects with organizations such as Agriculture Victoria, La Trobe University, amaea Limited, Best's Wines, Agri Automation, Farmers2Founders, and the Australian Wine Research Institute.

The Venture Investments Portfolio will see Wine Australia invest A$2.5 million (U$1.77 million) of non-levy funds alongside Tenacious Ventures' existing funds and other investors toward a combined target of A$15 million (U$10.62 million) over five years. This portfolio will focus on early-stage technology companies developing robotics, sensors, artificial intelligence systems, biotechnology solutions, and advanced production tools that could transform grape growing and winemaking processes.

Dr. Cole said that partnering with Tenacious Ventures is a key part of encouraging broader innovation within the sector. Tenacious Ventures is recognized as Australia’s leading agri-food investment platform and supports companies such as Azaneo, Jupiter Ionics, SwarmFarm Robotics, Cecil, and Agovor. Wine Australia will retain control over its investments to ensure alignment with industry priorities.

The creation of this fund follows recommendations from the 2024 One Grape & Wine Sector Plan, which highlighted an urgent need for increased investment in innovation at a time when sector levies have remained flat and limited available research funding. The industry is currently facing significant challenges including climate change impacts, sustainability pressures, risks from smoke taint during bushfires, packaging emissions concerns, rising production costs, and increasing global competition.

Dr. Cole explained that recent legislative changes have increased the level of Commonwealth Government matching funds available for research and development activities. Traditionally, research funding from levies has fluctuated with annual grape production volumes. The new rules allow Wine Australia to actively seek non-levy funding opportunities to supplement these resources.

The Australian Wine Future Fund represents a major shift in how innovation is financed within the country’s wine sector. By combining public and private investment sources and focusing on both research projects and technology startups, the initiative aims to build resilience across the industry while supporting long-term growth and sustainability goals.