

Weinakademiker thesis (D 7)

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**Against the Grain**

**An assessment of Bali as a wine producing region**

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**Abstract**

**Motivation**

Indonesia is the fourth most populous country in the world and lies between 10 degrees north and south of the equator, not the most likely location on the map for wine production. Furthermore, with a predominant Muslim population one would expect wine culture to be virtually non-existent. Nevertheless, there is an increasing interest in and availability of wine. With continued domestic economic growth and increasing demand for luxury goods, wine culture seems to be slowly taking off. Hotels and restaurants include wines on their menus, specialised wine shops and trendy wine bars open, wine tastings and events are organised, and even more interesting: local wines are produced that are widely available. However, wine production in Indonesia seems to be mainly concentrated on one particular island: Bali. This begs the question why?

**Objective**

The objective of this thesis is to provide insights and better understanding of the challenges, opportunities and potential of Bali as a wine producing region by answering the following questions:

- What are the practices and challenges in grape growing?
- What winemaking techniques are being used and what wines do they produce?
- How is Bali's wine business organised and what are the main challenges in the market?
- What does the future hold for Bali as a wine region?

**Methodology**

Because Bali is not a well-known and established wine region, there is no regulatory trade organisation that monitors developments, meaning reliable information and exact data are limited. All information provided is based on interviews with local wine professionals, vineyard and winery visits, online research and business reports, news articles and industry data. To assess its current status and future potential of the island as a wine region a SWOT analysis is used. This model does not only provide a tool for systematic evaluation, it also helps to understand the relations between the factors in production and market success.

## **Content**

The content structure for this dissertation is inspired by a chapter from the book 'D3: Wines of the World' from the course 'WSET Level 4, Diploma in Wines'. With reference to Bali, every chapter discusses factors that define the region in terms of climate, growing environment, grape growing and winemaking practices, wine law and regulations, and market and business developments. This is followed by an assessment and conclusions on Bali's future potential as a wine region.

## **Conclusion**

Thanks to the ceaseless effort and perseverance of local and foreign wine professionals, wine production is slowly maturing. Based on the information collected, Bali as a wine region is expected to develop in two main directions in the coming years:

- More wines from locally grown international varieties will enter the market, resulting in a more diverse and of higher quality selection of local wines. International recognition and export numbers will increase, resulting in a need for stricter quality controls and regulations that benefit the image and further recognition of Balinese wine in the long term.
- Favourable macroeconomic conditions, a stable tourism industry, and greater global awareness, fueled by social media and the internet, will contribute to further growth of Bali's wine industry. New winemakers will enter the stage who will create new exciting wines and experiences for consumers, but also will feel the need to work together and develop a shared vision of quality while protecting the unique identity of their wines.

Bali is still in its infancy as a wine region. But despite many challenges, the future looks bright and it is expected that the world will see more of Bali's wine in the near future.