

The traditional white liquor (Baijiu) distillery in China



The China syndrome

Ups and downs in the burgeoning whisky industry

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If you love strong alcohol and have visited China, you will probably be familiar with Chinese baijiu (aka Chinese distilled spirit or Chinese white spirit). This clear liquid, usually from fermented sorghum, has been distilled in China since at least the Yuan Dynasty (1271–1368) though baijiu began to resemble its current form around the Ming Dynasty (1368–1644).

Whilst studying at Heriot-Watt University in 2013, I was invited by my peers to talk further about Chinese white spirit and hosted a tasting event. The feedback from that group of

international students and lecturers was fascinating, and they all said they would love to try it again but probably not for a few years!

The then professors at Heriot-

Watt David Quain and Paul Hughes appraised Chinese Baijiu as 'distilled lambic' which it is, to a certain extent. The good news is that you will be able to have Chinese whisky rather than Chinese Baijiu in the future. This article gives an overview of the new whisky distillery announcements in China over the last year and a look of the definitions and regulations associated with making Chinese whisky.

New developments in Chinese whisky

In China last year, there were several exciting new malt whisky distilleries planned – from notable international and local distilling companies. In August 2019, Pernod Ricard announced



Architectural rendering of the new Pernod Ricard malt whisky distillery in Mt. Emei

"China's first malt whisky distillery from an international spirits and wine group". The new distillery in Mt. Emei, Sichuan Province is set to open in 2021, with the first batch expected in 2023.

In November 2019, Valentine International LLP, based in Forfar, Scotland, announced that it will manage a 'design and build' project with Mengtai Group to build a whisky distillery in Ordos, Inner Mongolia. Owner of Valentine International, Dave Valentine, stated: "The production equipment will be manufactured here in Scotland and shipped to Inner Mongolia for assembly."

In addition to these international investments, there are several new 'home-grown' whisky projects in China. For example, the well-known wine-maker Grace Wine acquired a whisky distilling company in Fujian Province, and the Tsingtao Beer company is known to be preparing its first step into the whisky business.

Shanghai Bacchus Liquor Co. (Bacchus), where I am an employee, is one of the largest Ready-To-Drink (RTD) companies in China and is in the process of constructing a brand new, state-of-the-art vodka/whisky distillery in Qionglai, in Sichuan Province. This new distillery will provide base liquor for our RTD products and Chinese whisky in the future. Bacchus teamed up with the global process engineering company, Briggs of Burton, to support in the new malt and grain distillery.

Briggs, through its UK and China-based engineering and manufacturing offices have provided the complete process design, specialist equipment including Briggs market-leading mashing technology – and also traditional handcrafted Scottish copper pot stills by McMillan.



...and the new Shanghai Bacchus Liquor Co. distillery in Qionglai, Sichuan

These enormous new investment programmes in distilleries means that Chinese whisky will be able to compete in the local and global market.

Imported whiskies

Chinese whisky imports have shown a large increase since the country became a member of the World Trade Organisation (WTO). China's newly-formed middle class and younger generations have shown a shift of taste and attitude – and now whisky is their spirit of choice. Although the consumption of Chinese Baijiu is still enormous, the interest appears to be a decreasing.

Based on the published material *Record of Imported Wine and Spirits Good 2019* from the CFNA (China Chamber of Commerce of Import & Export of Foodstuffs, Native Produce & Animal By-Products - en.cccfna.org.cn), the quantity and value of total imported grape wine and beer are both decreasing while spirits consumption, especially whisky, is higher than previously recorded.

General Administration of Customs, P.R. China (GACC) released data showing that the volume of imported whisky rose from 18.9 to 21.5 million litres from 2018 to 2019, which equates to 173 and 208 million US dollars in imports. This data does not include any illegally imported products.

The question on many international consumers' lips seems to be "Is it possible to have good Chinese whisky?" Many of the local distillers will be searching on how to try to emulate the success of Scotch whisky in the international market. For example, "Is it possible to recreate the flavours of Scotch – but in China?" or "What taste should Chinese whisky be characterised by?" These appear to be the main



Tsingtao Winery Trademark (source: Baidu.com)



Old Chinese whisky labels (credit: Qingdao Dhioon Company). Note the use of both whisky and whiskey on the labels

reasons why investors are exploring opportunities to establish whisky distilleries in China.

To date there has been little, if any, material that introduces Chinese whisky into the western world, especially in the English language. Therefore, similar to the Baijiu tasting session held with my peers at Heriot-Watt University, the remainder of this article will aim to raise awareness of the history of Chinese whisky and its regulation, which is hopefully the first stepping-stone in seeing and hearing more about Chinese whisky in the future.

History of Chinese whisky

The first record of Chinese whisky production can be traced back to 1914. During Germany's colonial period, a German merchant set-up the first winery 'Tsingtao Winery' in Qingdao, which



Left: The Qingdao whisky label (source: Baidu.com). Note the Mandarin words (pronounced wei-shi-ji) the loanword for whisky. Right: The Qingdao (Tsingtao) Whisky (source: Baidu.com)

produced brandy, sparkling wine and whisky.

The majority of consumers were foreigners and sailors at that time. The products were sometimes exported. The first half of the 20th century in China was very turbulent, and the ownership of Tsingtao Winery Company changed several times and in 1930 was bought by another Germany company named Melcher & Co. After World War II, the Chinese government took control of the winery and merged it with the Tsingtao Beer Brewing Company.

The situation in China stabilised after the civil war in 1949. Locals applied their brewing skills and inherited the equipment from German and Japanese breweries and distilleries. Many new companies started brewing beer and some distilled whisky for international events and occasions – but the most famous products at this time were still produced by the Tsingtao Winery.

In the 1980s there were many breweries, distilleries and wineries trying to make their unique style of whisky. For example, Jilin Changbaisan Winery mixed Chinese sorghum spirits into whisky to produce 'Premium Whisky'. Guangdong Beverage Company made '5-Goat Whisky' and Beijing Winery released 'Chinese Whisky' while Zhong Guo Niang Jiu Chang (China Winery) launched 'Panda Whisky'.

In the 90s, well-known Chinese Baijiu producer Yibin Wuliangye Company even created 'The Orient Whisky' which used local sorghum, rice, maize, waxy rice, wheat and herbals and was more like a liqueur than a whisky. Moutai, the representa-

tive of Chinese Baijiu, also announced 'Moutai Whisky' during that time.

Unfortunately, all these whiskies were a flash in the pan. Chinese baijiu was still the most popular alcoholic beverage in China and these 'home-grown' whiskies failed to create a large-scale, profitable market. At the same time well-known Scottish and American whisky brands became available in China, so the 'home-grown' Chinese whisky market almost disappeared for 20 years. The local brands vanished, but not the taste for whisky.

Many Chinese consumers now appreciate the diversity of whisky thanks to Scotland, America, Ireland and Japan. A few craft distilleries have already produced whisky in Hunan, Shandong, and Sichuan Provinces. Several Chinese Baijiu companies are trying to mature Baijiu in oak casks to produce the unique style of Chinese whisky. Jiangsu Yanghe Baijiu company co-operated with British multinational Diageo to mature Scotch whisky in clay pots, which previously had matured Chinese Baijiu, to create 'Zhong Shi Ji'.

It should be noted that due to the lack of regulation in the Chinese whisky industry, a small number of producers market their product as 'Chinese whisky' but it is quite difficult to determine whether they meet the Chinese whisky regulations and are using the traditional production methods we are familiar with.

Whisky standard in China

The current 'suggested standard' for Chinese whisky is GB/T 11857:2008 but distillers can still produce any whisky which does not comply with it. In other words, there is no strict regulation of whisky produced in China – but most of the producers will meet this standard at least.

The Chinese GB/T 11857:2008 refers to the European Parliament regulation (EC) No 110/2008 and provides the terminology, definitions, product classifications, requirements, analytical methods, and other criteria required for reference in packaging, marking, transport and storage. This abstract contains a selection of the relevant information; description of the terminology, definition and classification of whisky in China.



Premium Whisky (source: Baidu.com)



5-Goat Whisky, Chinese Whisky and Panda Whisky (source: Baidu.com). Note the Panda Whisky label states wei shi ji



The Orient Whisky (source: Baidu.com)



Moutai Whisky (source: Baidu.com)

Article 3 Terminology and definition:

3.1 Whisky – A spirit drink produced from a mash made from malt and cereals which has been through mashing, fermentation, distillation, maturation and blending.

3.1.1 Malt Whisky – A spirit drink produced from a mash made from all malted barley which has been through mashing, fermentation, distillation, maturation in oak cask for two years and blending.

3.1.2 Grain Whisky – A spirit drink produced from a mash made from cereals (rye, wheat, maize, Highland barley and/or oat) which has been through mashing, fermentation, distillation, maturation in oak cask for two years and blending. Highland barley, *Hordeum vulgare var. nudum*, is a special barley variety only grown in Tibetan Plateau.

3.1.3 Blended Whisky – A whisky produced from blends of certain portion of malt whisky and grain whisky.

Article 4 Category of Whisky:

- A. Malt whisky
- B. Grain whisky
- C. Blended whisky

Article 5 Quality Requirement:

See tables

According to the abstract of the suggested whisky standard in China,

it is not as precise and clear as The Scotch Whisky Regulation 2009 e.g. processing in only one distillery, bottled only in Scotland, no age statement requirement etc etc.

In the Chinese whisky standard, producers may purchase beer directly from a brewery and distil it – and then launch it as whisky after a two-year-maturation in any size oak cask. No specific age requirement means the whisky could be labelled as two years old, 24 months old, or 730 days maturation.

The ongoing situation is that some businessmen buy whisky from anywhere in the world, bottle it in China, and call it Chinese whisky – which is as same as the previous Japanese whisky fraud. Moreover, there is no region and geographical indication – as you are able (for example) to produce whisky in Scotland but brand it as Chinese whisky.

There are countless loopholes in the standard – and several companies take advantage of these to mislead the consumers with obscure advertising and promotion. Unfortunately this sabotages the development of Chinese-made whisky. It is understandable that not much attention was paid to this industry in the past but if Chinese whisky is to have a promising future, people who work in the industry will need to work

Chemical	Index Grain-related
Methanol [g/L (Pure Ethanol)]	<= 0.6
Cyanide (HCN) [mg/L (Pure Ethanol)]	<= 8.0

Here is the related food and beverage standard for distilled spirits:

together in order to produce more stringent regulations.

The aim of this would be to ensure consumers begin to take an interest in various excellent-quality whiskies made in China – now and in the future.

Hopefully, with the improved regulation and efforts of the skilled distillers and blenders who have learnt their craft from experienced veterans in Scotland and around the world, and who are adding their own flair and Chinese twist, Chinese whisky can be enjoyed locally – and around the world.

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Grade	Premium	Good
Observation	Clear with no suspension and sediment	
Colour	Light golden to golden yellow	
Aroma	Should have malty and/or grainy flavour, the harmony flavour given from oak, strong aroma, and/or the aroma acquired from peat.	Should have malty and/or grainy flavour, the inferior harmony flavour given from oak and/or the aroma acquired from peat.
Taste	Rich, rounded and sweet. Should have malty and/or grain flavour, the taste/flavour given from oak. No apparent off-note.	Less rich, rounded and sweet. Should have malty and/or grain flavour, the taste/flavour given from oak.
Style	Should have its unique style.	Should have its obvious style.

5.1 Sensory Requirement

Grade	Premium	Good
Alcohol(%vol) ^a > =	40.0	
Total acid (as acetic acid) [g/L (Pure Ethanol)]	<= 0.8	<= 1.5
Total ester (as ethyl acetate) [g/L (Pure Ethanol)]	<= 0.8	<= 2.5
Total aldehyde (as acetaldehyde) [g/L (Pure Ethanol)]	<= 0.2	<= 0.4

^a The allowed error between real and label is 1.0%vol.

5.2 Analysis (Chemical) Requirement



Jianguo Yanghe “Zhong Sji Ji”