

## VQA News and Tips — May 2017

### LABORATORY ANALYSIS FEE INCREASE

The LCBO has notified us that the fee for laboratory analysis will increase from \$200 to \$225 effective July 10, 2017. Laboratory analysis is included in VQA wine approval testing and this fee is embedded in the approval application fee. As a result, the wine approval application fee will increase by \$25 to \$285 (or \$322.05 including HST) effective July 10, 2017.

### ON THE EXPORT FRONT

VQA Ontario monitors developments in wine trade and promotes recognition of VQA certification as fulfilling requirements for import into other countries. However, there continue to be many challenges selling wine in other markets.

Some good news:

- Canada has ratified a labelling agreement among new world wine producing countries that sets out universal labelling principles and includes protection for the term “Icewine” for use only on wines made from grapes frozen on the vine. Although the agreement currently covers only Canada, Argentina, Australia, Chile, Georgia, New Zealand, South Africa and the United States, it establishes the principle of mutual recognition and harmonization of mandatory label information and makes it easier to use the same label in multiple markets.
- Canada also signed an agreement with the new world group to share information and cooperate on anti-counterfeiting measures to address a growing problem in some markets.
- A review of international standards around “date marking” has recommended that wine continue to be exempt from best before dates.

And some challenges:

- The World Health Organization is working on guidelines that call for wide-ranging restrictions on the marketing of alcohol, minimum pricing and access restrictions. Wine industry trade groups are seeking more participation in these discussions that currently are led by the health and medical sector.
- Guidelines are under development in various places to regulate and/or require nutritional labelling including such things as calories, sugar, ingredients, serving size and recommended daily intake. These are likely to be voluntary for wine (at least for now).
- The European Union is working on a number of regulations and guidelines that may impact the importation of VQA wines. These include additional restrictions on the use of traditional terms, the classification of some grape variety names as appellations, limiting or banning pesticides that use endocrine disruptors, and rules on label claims involving sustainability or environmental footprint.

The Canadian Vintners Association is engaged with several groups discussing international wine trade issues. [www.canadianvintners.com](http://www.canadianvintners.com)

## SAVE THE DATE – VQA ANNUAL GENERAL MEETING JULY 26 IN LAKE ERIE NORTH SHORE

VQA Ontario's 2017 Annual General Meeting will be held on July 26 at Viewpointe Estates in Harrow, Ontario. We invite all winery members to attend, and encourage those from other regions to make this an opportunity to visit with your colleagues in Lake Erie North Shore.

## TIPS FOR THE MONTH

### WINE APPROVAL APPLICATIONS

Please ensure you fill out your application for a wine approval accurately, especially the varietal composition and all components used in the wine. We use this information to assess whether the wine complies with VQA rules. If the information on the application does not match what is in the bottle, you are likely to face compliance actions or at the very least have to relabel or resubmit the wine.

Both the composition and total volume on the application must match the wine bottled. We understand that demand changes and you may eventually bottle more or less than you anticipated at the time of the application. If there is a material change to the volume and it is the same wine – an identical blend of the original components – please let us know so we can amend the approval. Otherwise, this will cause problems with your audit and may result in an investigation or charge related to selling wine that is not approved. These scenarios are best avoided!

### MONTHLY SALES REPORTS

You are required to submit monthly sales reports detailing your VQA wine sales. This is done using the "Monthly Sales Report" form that is part of the excel package of reporting forms developed by the LCBO (available on our website – insert link to forms page)

A few things to note:

- All VQA sales must be reported, in all sales channels, including to other Provinces, airlines, VIA rail, duty-free and exported to other countries. If it is a VQA wine, the sale must be reported.
- If you have no VQA sales for a monthly period, you must file a NIL report. Just fill in your winery name and the month with "zero" for total sales and email it to us.
- If you have very few sales and an outstanding balance of fees owing less than \$50, you may submit the monthly report and wait to make a payment once the \$50 threshold is reached. However, all accounts must be settled at our year-end on March 31.
- Many wineries submit reports to the LCBO and assume the appropriate forms are forwarded to VQAO. They are not! Please email the VQA monthly sales report form directly to [Barbara.dodds@vqaontario.ca](mailto:Barbara.dodds@vqaontario.ca). You can do this at the same time you submit to LCBO – just share via email the VQA sheet from the excel package, then forward the payment by mail.
- Keep your reports up to date. We do charge interest on late payments that exceed the \$50 allowance above, and ultimately will suspend or revoke your VQA membership if you get too far behind.