

## OWAA Regulator's Code of Practice

The Ontario Wine Appellation Authority (OWAA) is committed to high standards of regulatory service in the public interest. This Code of Practice provides principles and guidance for executing our regulatory duties.

For those we regulate, this Code outlines our commitment to be clear, transparent and fair about how we work with you.

***You will know what to expect of us and what we will expect of you.*** This allows you to focus on your activities, while complying with the Vintners Quality Alliance Act, regulations and rules.

The Code promotes fair treatment and respect while you are being inspected, audited, investigated or otherwise regulated. In return, we ask you to be co-operative and to provide us with complete information in your dealings with us. This fair and consistent approach is pivotal in creating a level regulatory playing field for winery businesses in Ontario.

***We all have a role to play in protecting wine consumers and supporting the integrity of VQA appellations, VQA wines and VQA producers.*** By working collaboratively, we can be effective and efficient in achieving our mandate.

We support compliant wineries by streamlining compliance activities and adopting a risk-based approach to inspections to prioritize important regulatory issues. We are committed to consistency, transparency and evidence-based decision-making and support our regulated community by creating practices that effectively balance firmness, consistency and discretion, while working collaboratively with other regulatory bodies.

### Our Commitment to Professional Service

***1. We perform our regulatory activities in a professional manner to help wineries and other regulated entities to comply and succeed.***

Our front-line staff pursue the following elements of professionalism:

**Honesty and Integrity:** We conduct our duties in a way that inspires confidence and respect for our position of public trust. We do not engage in activities that are, or could appear to be, incompatible with our responsibilities and duties, or call into question our objectivity, integrity and impartiality.

**Respect:** We treat everyone with respect and are always courteous and professional in all situations. We carry out our duties with a view to promoting diversity and inclusion.

**Objectivity:** We treat everyone impartially and perform our duties objectively. We make decisions based on relevant legislation, the common law, and accepted standards, practices, policies and procedures.

**Confidentiality:** We collect, use, share and/or retain all internal and external information in compliance with applicable legislation, regulations, legal privileges, policies and procedures.

**Knowledge:** We enhance and improve our level of knowledge and capabilities through a commitment to continuous learning and are competent when executing our responsibilities.

**Timeliness:** We conduct and conclude our activities in a timely fashion. We adhere to legislative requirements, policies and procedures regarding timelines and meet all internal and external time commitments.

We aim to provide equitable treatment of all persons in accordance with the Ontario Human Rights Code and promote a climate of understanding and mutual respect for the dignity and worth of each person we encounter. We are committed to working safely in accordance with *Occupational Health and Safety Act, RSO 1990*. We also work to ensure that Ontario's consumers are protected, and its business climate is robust, and we conduct our duties in a way that facilitates compliance and success of wineries operating in the province.

## ***2. We focus on service by providing clear information and assistance to help wineries to comply.***

Upholding the public trust is important for the work we do. We achieve this by being consistent and clear about our regulatory approaches, including the processes we follow and how feedback can be provided on our service or decisions. Maintaining consistency in our approach provides businesses and other regulated entities with a stable, results focused, and where appropriate, flexible regulatory environment.

To provide effective and professional service, our front-line staff are trained on the following practices and principles:

- Introduce ourselves and our organization
- Provide general information regarding the inspection, audit or enforcement process to be followed
- Identify the statutory authority for our inspection, audit, investigation, or enforcement action
- Identify any formal complaint mechanisms and appeal procedures, as applicable
- Provide contact information for further information or feedback

We aim to provide accessible, responsive, reliable, fair and accountable service, in keeping with our obligations under our Administrative Agreement with the Minister of Public and Business Service Delivery.

***3. We share information, coordinate activities and collaborate to promote greater consistency and transparency.***

Collaborating with other regulators promotes consistency in our approaches to better protect consumers. Coordinating our efforts and sharing information also reduces burdens on those we regulate, including minimizing duplication.

To help Ontario wineries compete locally and globally by improving inspections and streamlining compliance activities, we:

- Identify opportunities to coordinate compliance activities with other regulators, where there are common interests and objectives, to ensure regulatory effectiveness, reduce undue burden on businesses and to maintain high standards of consumer protection
- Obtain required information, where possible, through existing sources or other authorized methods including information-sharing agreements
- Where possible, share data and information, unless prohibited under the existing legislative and policy framework, and continue to seek opportunities for greater data and information sharing

**Our Commitment to Excellence in Regulatory Delivery**

***4. We focus on outcomes to support compliance.***

We aim to achieve the intended outcomes of our regulations without placing unnecessary burden on those we regulate. This helps create a level playing field within the regulated community. We focus on protecting the consumer interest, supporting economic growth in Ontario and we:

- Clearly communicate desired compliance outcomes to those we regulate to build a common understanding of what we expect and why it is important
- Focus on regulatory intent and recognize circumstances where it may be appropriate and legally permissible to consider acceptable alternatives to achieve the outcome through innovative or less onerous means
- Ensure front-line staff and managers are appropriately trained so that all staff have the same information on our approach to working with those we regulate.

This approach can provide greater certainty to the regulated community, improve confidence in our actions as a regulator and combined with risk-based targeting, can assist in achieving compliance with the least burden. We aim to have greater impact with less burden by focusing on outcomes.

***5. We target our efforts based on risk and evidence, including data, to prioritize regulatory activities.***

We target our efforts based on risk so that resources are focused on preventing and addressing issues that matter most to the integrity of the appellation system. We aim to achieve compliance efficiently and effectively. To achieve this, we:

- Are clear and transparent about our risk-based frameworks, criteria, strategies and plans
- Prioritize work with respect to the nature of risks (e.g., degree of misrepresentation to consumers)
- Identify higher-risk organizations, sectors, and activities using appropriate assessment criteria and data analytics (where available) and develop operational plans to target our efforts
- Collaborate with other regulators to identify shared opportunities to address risks
- Adjust the type and frequency of information requests we make according to risk, where appropriate
- Review risk assessment criteria regularly and amend strategies and activities to reflect changing priorities that may result from new and evolving evidence.

Using a risk-based approach allows for effective resource allocation, resulting in improved protection for the consumer.

***6. We communicate, educate and offer guidance to businesses and other regulated entities to promote compliance.***

While most wineries comply with the VQA Act, some may have difficulty complying due to misunderstanding the requirements of legislation, errors in taking steps to achieve compliance, or lack of available resources. To address this gap, we:

- Take a proactive approach to compliance by communicating expectations, providing assistance, information, guidance, education and other resources
- Communicate in plain language to help those we regulate better understand what is expected of them
- Identify and explain any non-compliance issues we find, including outlining any actions required and associated timeframes
- Clearly communicate what is a regulatory requirement and what is a good practice

We can improve compliance and protect the public interest better through a greater focus on clear, targeted and simple communications.

***7. We apply a proportionate approach to improve and promote compliance***

We safeguard the public interest by improving compliance outcomes in the most efficient and effective manner. We aim to apply a range of compliance tools available to us in a manner that is proportionate to the circumstances, based on a compliance continuum. This includes providing education or assistance to encourage voluntary compliance, with progressive

escalation (e.g., warnings, orders, suspensions, etc.) where needed, to ensure compliance. Where there is a high degree of risk, serious misconduct or repeated non-compliance, decisive and appropriate action may be taken right away.

We use our discretion to determine the best compliance action based on an assessment of risk and the surrounding circumstances. In doing so, we are mindful of the importance of providing businesses and other regulated entities with a level playing field, which is achieved in part by a principled, consistent approach to verifying compliance. This is an important balance we must consider as a modern regulator. With this approach we:

- Provide clear information about our compliance approaches, the range of compliance and the enforcement tools available to us
- Act in a way that is proportionate to the circumstances, and use our discretion to choose the best option/tool for the circumstance
- Apply our discretion according to our policies and objective criteria (e.g., relevant legislation, level of risk, seriousness of the conduct, past compliance record, and a demonstrated willingness to cooperate)
- Ensure front-line field staff are trained on how to assess risk and apply discretion to work through the compliance continuum.

At all times, we seek to work cooperatively and in a professional manner with the responsible person(s) and/or organization(s) to help address impacts of non-compliance and to prevent recurrence.

***8. We monitor, measure, evaluate and report on our activities and outcomes to adapt and improve the effectiveness of regulatory delivery and compliance activities.***

We are committed to assess and revise our regulatory approaches to ensure we remain efficient and effective in achieving our outcomes. To achieve the best results, we:

- Review the effectiveness of our compliance activities to ensure they are delivering the best outcomes, and adjusting our approaches as necessary
- Update our knowledge and skills to reflect best practices, regulatory and industry trends and modern approach to compliance
- Respond to feedback from the regulated community, other stakeholders and the public to identify opportunities for improvement.

We welcome feedback from all sources, including through appropriate public consultations, to help us strengthen how we carry out our regulatory duties.

By working together with our stakeholders and the Government of Ontario, and following this Code, our aim is to maintain high compliance outcomes that protect consumers and support economic growth for Ontario.