

SUMMARY OF REGULATORY UPDATES Specific to Labelling of Beverage Alcohol

Part I: Overview of Regulatory Updates

This document presents a summary of the new regulatory requirements impacting the labelling of beverage alcohol products through 2022. This summary is intended as general information only. In producing this document, some requirements of the new and updated regulations may not have been included and some may be ambiguous. The LCBO takes no responsibility for any problems or errors in label design resulting from using this overview. It is the manufacturer's responsibility to be familiar with and comply with all applicable Canadian laws pertaining to their products, including, without limitation, any labelling requirements set out in the Canadian Association of Liquor Jurisdictions (CALJ) standards, LCBO Product Packaging Standards and other LCBO operational and policy requirements.

If you have a specific question regarding the application of the new regulations to a particular product, please contact your own advisers or the Canadian Food Inspection Agency (CFIA). In addition, you may consult the information available on the CFIA website (see links provided in Part III).

1.1. List of Ingredients and Allergen Statements

There are significant updates to the list of ingredient requirements for formatting and new rules for declaring specific ingredients. These updates will make it easier for the consumer to find, read and understand the list of ingredients. The new regulations will apply to all products that have a voluntary or mandatory ingredient list on the label.

In addition, all formatting rules will apply to any allergen statements required to indicate the presence or potential presence of priority food allergens, gluten sources or added sulphites. The new regulations will apply to all products that have an allergen declaration ("contains" statement).

Updates include:

- Sugar-based ingredients must be grouped in brackets after the name "sugars"
- The "colour" class name has been repealed; therefore the term "colour" may not be used in the list of ingredients. Food colours must be listed by their individual common names



- The text must be shown in a single colour that is a visual equivalent of 100% solid black and be shown on a white or neutral background that has a maximum 5% tint of colour, meeting the requirements as detailed in the CFIA guidance found here
- The ingredients list must be clearly differentiated on the label by using either a solid-line border around the ingredient list or high contrast to the adjacent area of the label. If used, the solid line must be the same colour as that used for the text in the ingredient list
- There is a minimum type height requirement for ingredients
- Ingredients must be listed separated by bullets or commas
- Ingredients must be listed using both upper and lower case letters
- English and French ingredient lists must start on different lines
- The "contains" statement must appear after the ingredient list of the same language
- The titles "Ingredients" and "Contains" must be in bold type

1.2. Nutrition Facts Tables

The format of the nutrition facts table (NFt) and the list of nutrients have been updated to make the information clearer and easier to interpret for the consumer. The new requirements will apply to all products that have a voluntary or mandatory NFt on the label.

Updates include:

- Serving sizes have been regulated (more information provided in next section)
- Changes to the format of the table to make the information on serving size and calories easier to find and read due to larger font and bold line under the calorie content statement
- The percent daily values have been revised
- A new percent daily value has been added for sugar
- The list of nutrients has been updated to add potassium and remove vitamin A and vitamin C. Amounts in milligrams must be shown for potassium, calcium and iron
- A footnote has been added at the bottom of the table to help consumers better interpret the percent daily value

1.3. Serving Size

The new regulations have introduced regulated reference amounts (RA) for beverage alcohol (see Table 1). The new reference amounts will better reflect the amount that Canadians consume in one sitting. Serving sizes are more consistent, which will make it easier to compare similar foods. On single-serving packages containing up to 200 per cent of the reference amount for that beverage, the serving size will



be the amount in the whole container. The new regulations will apply to all products that reference standard drinks, or have a nutrition facts table present on the label.

Table 1: Reference Amounts for Beverage Alcohol

Wine	Beer	Coolers/RTD	Spirits
188 mL	333 mL	333 mL	43 mL*

*Note: a regulated reference amount has not yet been assigned for spirits. LCBO adopted a single-size reference amount value of 43 mL.

1.4. Lot Code / Traceability

The **Safe Food for Canadians Regulations** (SFCR) set out traceability requirements for food products including beverage alcohol. This new regulation requires that all selling units must bear a lot code and products sold must have traceability records one step forward and one step backward in the supply chain. As per section 208 of the SFCR, the lot code must be clearly and prominently shown, readily discernible and legible to the purchaser under the customary conditions of purchase and use.

1.5. Beer Compositional Standards

The Regulations Amending the Food and Drug Regulations (Beer): SOR/2019-98 came into force on April 15, 2019. The changes to the regulations apply to compositional standards and labelling declarations.

Specific to labelling requirements only, the following updates are highlighted:

- The use of a flavouring preparation triggers an additional requirement for a mandatory declaration that a specific flavouring preparation was used as part of the common name on the label (e.g. "beer with blueberry flavour").
- The standard for ale, stout, porter and malt liquor has been repealed. These terms can no longer be used as a common name declaration.
- Brewers are now required under the FDR to declare food allergens, gluten sources or added sulphites on the label. This change will help Canadians with food allergies, celiac disease or food sensitivities make more informed choices.

Note: Details on the updates of the beer compositional standards are not included in this document.



1.6. Vodka Compositional Standards

The Regulations Amending the Food and Drug Regulations (Vodka): SOR/2019-217 came into force on June 17, 2019. The changes to the regulations apply to compositional standards and labelling declarations. The new regulations allow vodka to be produced from agricultural products other than potato and cereal grain.

Specific to labelling requirements only, the following updates are highlighted:

• When vodka is produced from agricultural material other than just potatoes or cereal grains, the material used in production of the vodka must be indicated on the label with the expression "Produced from" and the name(s) of the agricultural material used.

Note: Details on the updates of the vodka compositional standards are not included in this document.

Part II: Transition Timing

To assist suppliers in transitioning to the new labelling regulations and ensure labelling compliance by dates defined by CFIA, the LCBO will introduce a phased implementation. The LCBO transition framework is currently being developed and will be shared when available.

Part III: Frequently Asked Questions

1) Do these changes affect all product categories or only certain ones?

These changes have the potential of affecting products in all categories. Products that will be most affected are any products with an ingredient list, allergen statement, or Nutrition Facts table (NFt). These products must make changes to the label artwork to comply with the new format requirements and new rules for specific ingredients.

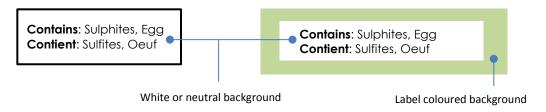
All selling units will be required to have a lot code.



2) How will standardized wine labels be affected?

There are new format requirements for all allergen declarations, including "contains" statements. Labels will have to be updated to comply with the new formatting rules. When used, a new Canadian single-serving size applies (see section 1.3). As per the Safe Food for Canadians Regulations a lot code is required on all selling units.

Figure 2: Examples of Acceptable Allergen Declarations



3) How will standardized beer labels be affected?

As part of the amended *Food and Drug Regulations*, beer labels must declare food allergens, gluten sources, or added sulphites; the allergen declarations must follow the new format requirements.

Contains: Barley, Wheat
Contient: Orge, Blé

White or neutral background

Contains: Barley, Wheat
Contient: Orge, Blé

Label coloured background

Figure 3: Examples of Acceptable Allergen Declarations

The following terms can no longer be used as common name declarations: "ale," "stout," "porter" and "malt liquor". A common name of "beer/bière" with the appropriate beer strength (example: "light/légère) must be used instead. The use of a flavouring preparation triggers a modified standardized common name listing the specific flavouring preparation used (e.g. "beer with blueberry flavour").

Labels will have to be updated to comply with the new formatting rules. When used, a new Canadian single serving size applies (see section 1.3).

As per the Safe Food for Canadians Regulations a lot code is required on all selling units.



If the product label has a voluntary ingredient list, follow the instructions for an unstandardized beer.

4) How will <u>unstandardized beer</u> labels be affected?

Ingredient lists and allergen statements will be required to meet the new regulatory requirements for formatting and rules for specific ingredients. Labels will have to be updated to comply with the new regulations. When used, a new Canadian single-serving size applies. As per the *Safe Food for Canadians Regulations* a lot code is required on all selling units.

5) How will standardized spirits labels be affected?

There are no changes required unless the label contains an allergen declaration, or a voluntary ingredient list. As per the *Safe Food for Canadians Regulations* a lot code is required on all selling units.

If the product label has an ingredient list or allergen declaration, follow the instructions for an unstandardized product.

Please see question 7 specific to vodka products.

6) How will unstandardized product labels be affected?

Ingredient lists and allergen statements will be required to meet the new regulatory requirements for formatting and rules for specific ingredients. Where a Nutrition Facts table (NFt) is present, the NFt must meet the new regulatory requirements. Labels will have to be updated to comply with the new regulations. A new Canadian single-serving size applies (see section 1.3). As per the Safe Food for Canadians Regulations a lot code is required on all selling units.

7) How will the new Vodka Compositional Standards affect my labels?

Under the changes to the *Food and Drug Regulations*, the updated vodka standards now allow vodka to be produced from agricultural products other than potato and cereal grains. The standard also requires that consumers be informed when products other than just potatoes or cereal grains are used by requiring the use of the statement "Produced from" in conjunction with the common name "vodka." For example, if a vodka product is produced entirely from apples, the label must place "Produced from apples" in close proximity to the common name of "vodka."

8) My product does not currently have a Nutrition Facts table. Do I now need to have one on my label?

The regulatory updates did not change the rules pertaining to Nutrition Facts tables on beverage alcohol labels. Beverages with an alcohol content of more than 0.5 per cent are usually exempt



from the requirement of a Nutrition Facts table. However, this exemption may be forfeited in certain situations, such as when a nutrient content or caloric claim is made or when a product contains added sucralose, aspartame or acesulfame-potassium.

9) My products are sold through LCBO Specialty Services. Do these label regulation changes affect my product?

Yes. Label updates will be required for items sold through Specialty Services as the regulatory changes apply to all alcoholic beverages sold in Canada regardless of their distribution channel.

10) I need to start updating my labels. Where is the best place to start to understand what is required?

It is recommended to review the Health Canada's summary of the <u>food labelling changes</u>.

In addition, CFIA has updated the <u>Food Labelling for Industry</u> guidance; this online tool is a very comprehensive resource that can assist manufacturers and any other interested parties.

To further assist suppliers and agents with the transition to the new labelling requirements, LCBO developed a simplified guide, available on the *LCBO Trade Resources Online*: Simplified label guidelines.

11) What should a new ingredient list look like?

Ingredient lists (when present /required) must be bilingual. French and English versions of the ingredient lists must begin on separate lines. All ingredient lists must meet new formatting requirements.

Black/dark type font: upper and Grouping of sugars-based lower case ingredients Bullets or Minimum Ingredients: Sugars (fancy molasses, brown sugar, sugar) • Flour • Vegetable commas to type height oil shortening •Liquid whole egg •Salt • Sodium bicarbonate • Allura Red separate requirement Contains: Wheat • Egg ingredients Food colours White or neutral The titles "Ingredients" and listed by name background "Contains" in bold type

Figure 4: Examples of Acceptable Ingredient List

12) What should a lot code look like?

A lot code is defined as an identifier that can be used to trace a defined quantity of product that was manufactured, prepared, produced, stored, graded, packaged or labelled under the same



conditions. A lot code can be numeric, alphabetic of alphanumeric. The lot code is an aid for the company and the consumer to help mitigate risk. An example is: L190530.

Lot codes must be clearly and prominently shown on the selling unit and must be readily discernible and legible to the customer.

A production date, packaging date or "Best Before/Meilleure avant" date can be used towards a lot code.

13) What are the transition deadlines?

Suppliers will be required to make all necessary changes driven by the CFIA *Food Labelling Modernization Initiative* to ensure their labels are fully compliant to the new FDR requirements by the end of the transition period. Product labels must be in market compliant by December 14, 2021.

Suppliers will also be required to have a lot code on all pre-packaged products. The lot code must be clearly and prominently shown, readily discernible and legible to the purchaser under the customary conditions of purchase and use. Products must be in market compliant with a lot code by July 15, 2020.

Beer and vodka producers will be required to make all necessary changes to their labels so that their labels are fully compliant to the new compositional standards by the end of the transition period. Product labels must be in market compliant with updates driven by the Food Labelling Modernization Initiative by December 14, 2021. Updates driven by the Beer and Vodka Compositional Standard must be in market compliant by December 14, 2022.

Important: During a regulatory transition period manufacturers must follow either the former or the new requirements to their fullest (i.e. requirements of the two versions of a regulation cannot be combined).

14) What new items will LCBO be checking for on label applications?

LCBO will be evaluating selling unit labels against all new regulatory requirements. Health Canada has put together a very good summary of the changes, which can be reviewed here. The updated label regulations are focussed on the following key topics: ingredient lists, allergen statements, nutrition facts tables, serving size, and sugars.

15) Will the changes be included in the updated LCBO Product Packaging Standards? Highlights of the updates will be included in the 2019 version of the LCBO Product Packaging Standards. However, this document will not include all the details of the regulatory



requirements. For a more comprehensive outline we recommend using the CFIA <u>Food Labelling</u> for Industry online tool.

16) Can LCBO help me update my label to meet the new requirements?

The LCBO does not offer commercial label services. To assist suppliers and agents with the transition to the new labelling requirements, the LCBO developed a simplified guide, available to access on the *LCBO Trade Resources Online*: Simplified label guidelines.

Manufacturers and agents desiring support to transition product to the new requirements may seek the services of professional label consultants. Such services can be identified online using "Canadian food label consultants" as the search criteria.

Part IV: Website Resources

Following are online resources we recommend for information about Canadian label requirements:

- Food and Drug Regulations
- Canadian Food Inspection Agency Food Labelling for Industry
- Canadian Food Inspection Agency Food Labelling Modernization Initiative
- Canadian Food Inspection Agency Notice to Industry 2016 Regulatory amendments related to nutrition labelling, list of ingredient and food colours
- LCBO Trade Resources Online: Simplified Label Guidelines
- Labelling requirements Government of Canada
- Safe Food for Canadians Regulations
- Canadian Association of Liquor Jurisdictions (CAL-J) Product Identification Standards, Global Trade
 Identification Number (GTIN)
- Labelling Requirements for Alcoholic Beverages
- Canadian Food Inspection Agency Notice to Industry Beer compositional standards
- Canada Gazette, Part II Regulations Amending the Food and Drug Regulations (Beer)
- Canadian Food Inspection Agency Notice to Industry Vodka compositional standards
- Canada Gazette, Part II Regulations Amending the Food and Drug Regulations (Vodka)
- Notice to industry Pre-publication of regulatory changes for Food Labelling Modernization