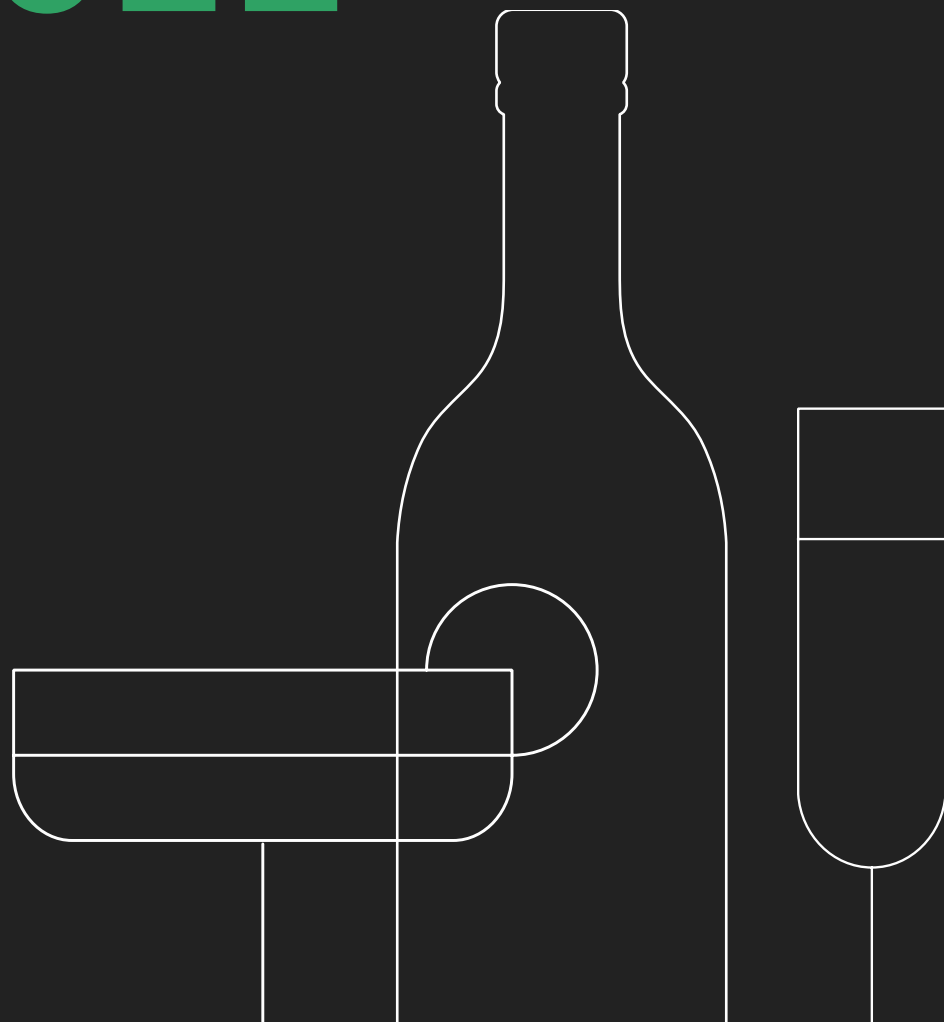


LCBO

TRADE DAY

2022



Quality Assurance

An evolving landscape

Dorina Brasoveanu

Senior Director, LCBO Quality Assurance

Agenda



SFCR: Traceability and Lot Code Readiness



Food Label Modernization: Transition milestones



Organic Importation Requirement Changes



Single Use Plastics Proposed Regulations



Product Testing Optimization Initiatives

01

SFCR: Traceability and Lot Code Readiness



SFCR Traceability Requirements



1

Goals

Improve the effectiveness of food safety investigations and recalls

Reduce the time it takes to remove unsafe food from the market.

2

Requirements

All prepackaged consumer selling units must bear a lot code, and products must have traceability records one step forward and one step back in the supply chain

Supplier Traceability Documentation Requirements

1

Product Identification

Product name

Name & address of manufacturer

Product Lot Code

2

Trace Forward Information

Date provided to LCBO or B2B customer

Direct deliveries:
Location of distribution
e.g. LCBO store # or
B2B store address

PO #, Sales Order # and
corresponding Lot Codes

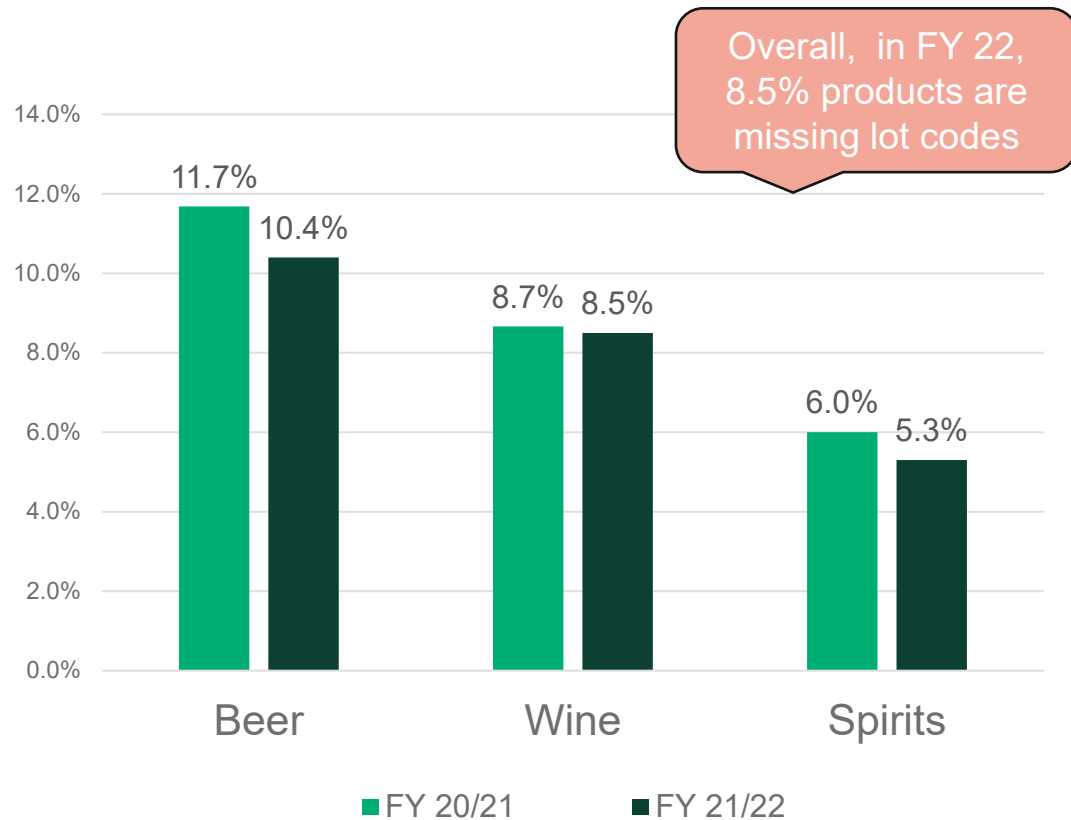


Documentation must be available within 5 hours of a LCBO request



Lot Code Readiness

% Non-Compliance Rate



Beers have the highest non-compliance rate (10.4%)



LCBO & Vintages wines: there is a 3.4% higher non-compliance rate in FY 22 compared to FY 21



Specialty Services wines: there is a 1.9% better compliance rate in FY 22 compared to FY 21



Spirit products: there is a slightly better (0.7%) compliance rate in FY 22 compared to FY 21

02

Food Label Modernization: Transition Milestones





1

Updated specific formatting requirements for allergen declarations and ingredient lists

2

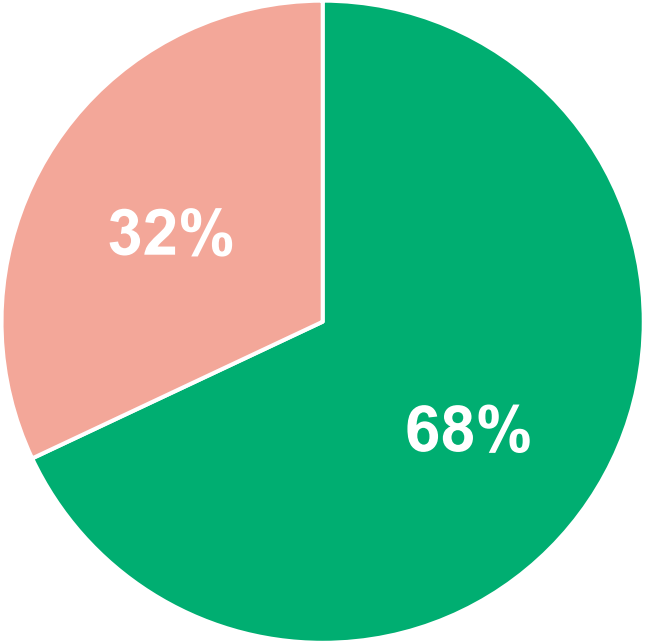
Grouping of sugar-based ingredients and removal of group name “colour”

3

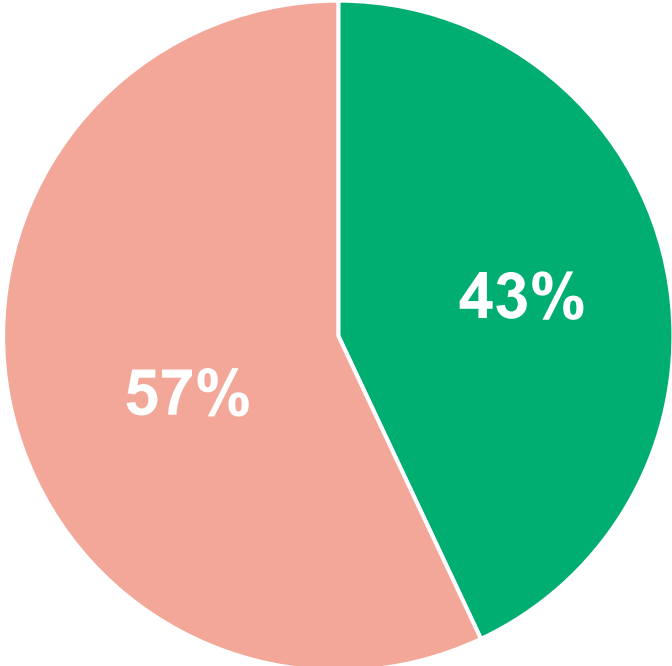
Updated format for Nutrition Facts Table and new reference amounts for serving sizes

FLMI Readiness

LCBO & Vintages Products



Specialty Services Products

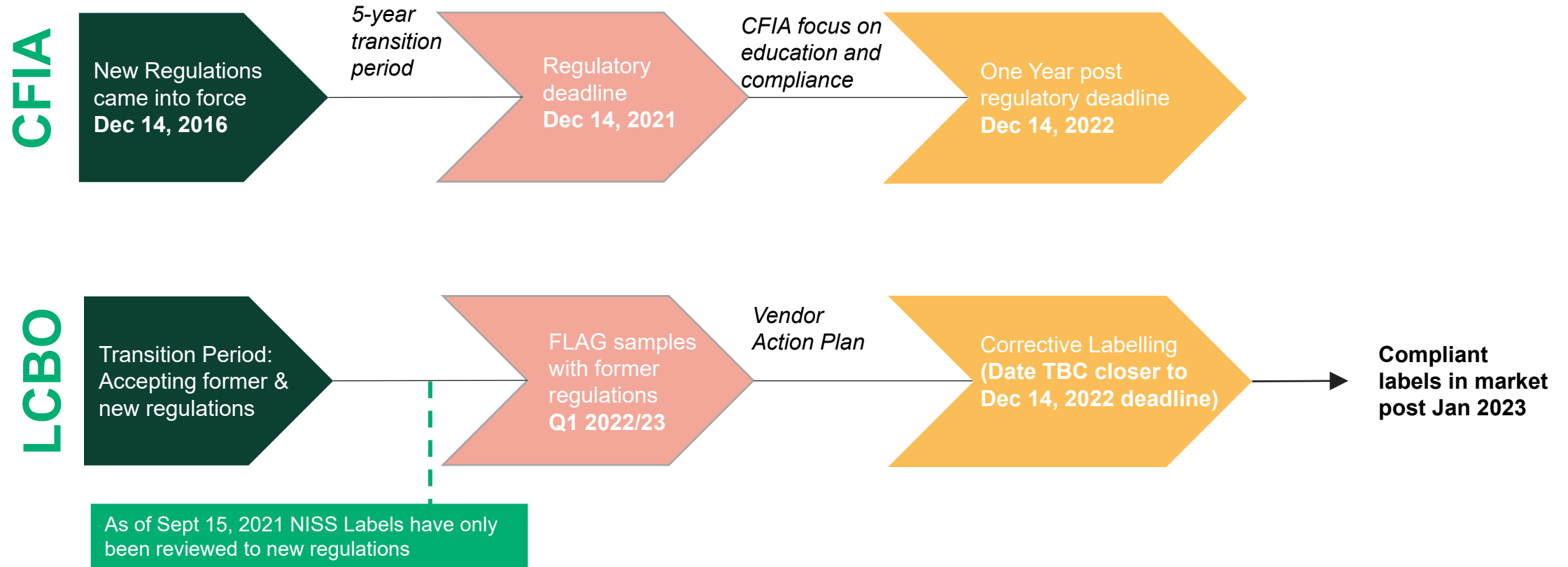


■ New Regulations ■ Former Regulations

Non-compliance rate for labels updated to new regulations: 1%

P6 to P13 data

Food Labelling Modernization (FLMI) Transition Timelines

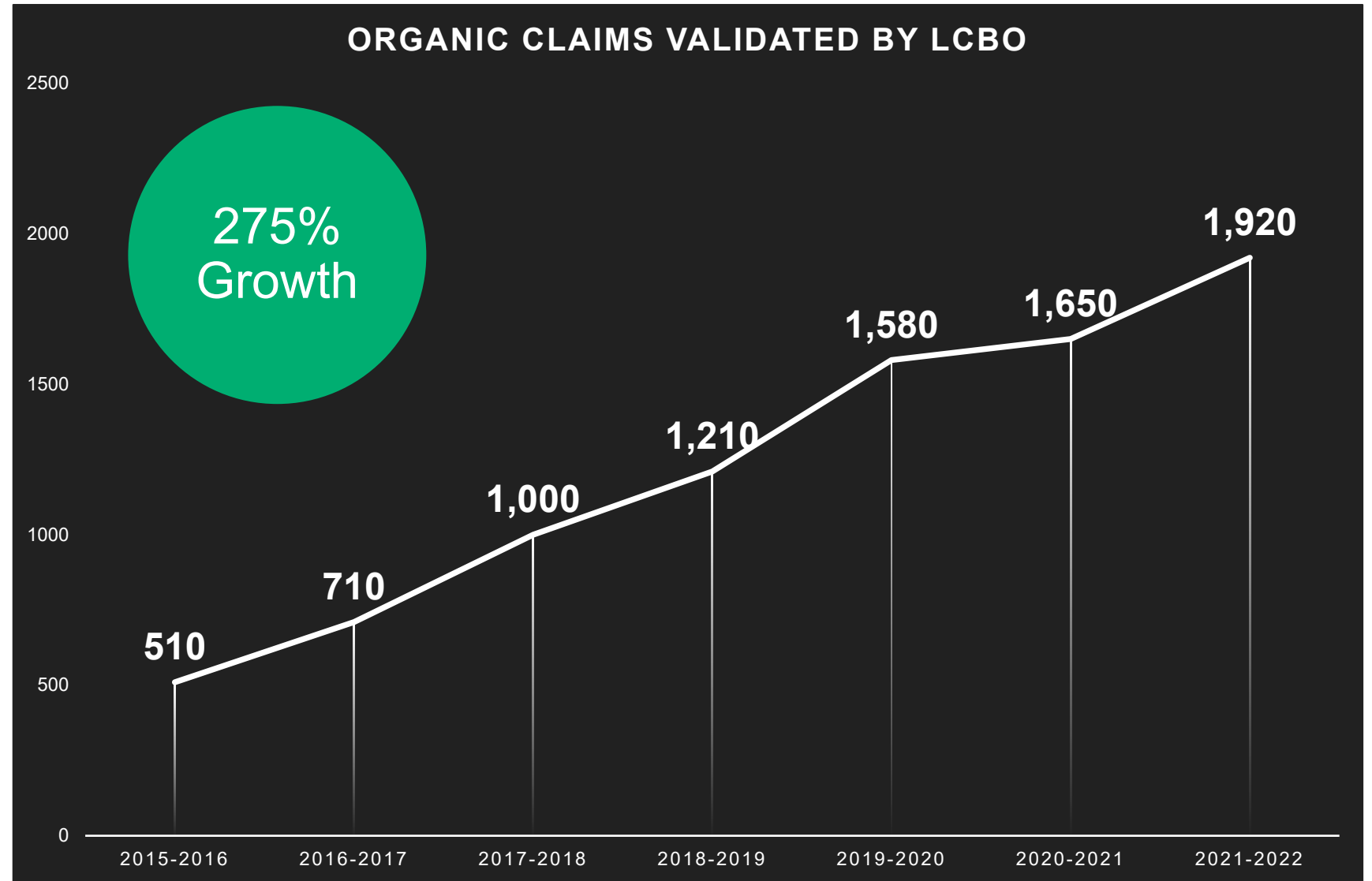


03

Organic Importation Requirement Changes



Growth of Organic Products



New CFIA Requirements



Current requirement:

Anyone who imports organic products must be able to present a valid organic certificate when requested at any time, including at the time of import.



Starting in 2022, importers of organic commodities will be required to submit a digital copy of the organic product certificate when declaring imports of organic products.



CFIA plans a phased-in approach for the implementation of this requirement.

All food commodities are expected to be incorporated into the new import declaration framework.

Organic certificate process changes

Current State

Certificates are submitted to LCBO after product is received

Certificates are submitted through multiple points of intake

It is difficult to match certificate to product description

Future State

Certificates must be submitted in advance so it will be available for customs clearance

The process of intaking certificates will be standardized as far as practicable

Suppliers & agents must ensure they submit a valid certificate that meets CFIA requirements

04

Single Use Plastics Proposed Regulations



Background

Single-Use Plastics Prohibition Regulations

Published in Canada Gazette I on December 25, 2021

Objective

The proposed *Single-Use Plastics Prohibition Regulations* aim to prevent plastic pollution by eliminating or restricting the manufacture, import, and sale of six categories of SUPs that pose a threat to the environment



Proposed Scope of Prohibition

Canada is **taking action** on:
**plastic checkout bags, stir sticks,
six-pack rings, cutlery, straws,
food service ware made from
problematic plastics.**



Proposed Coming into Force

Line of Business	Proposed timeline
Manufacturers	1 year*
Importers	1 year*
Retailers & wholesalers	2 years*

** following the day on which the proposed Regulations are registered (published in Canada Gazette II)*

Identifying alternatives



1

Consider rigors of supply chain; rough handling, temperature and humidity fluctuations

2

Consider environmental impact. Does proposed alternative offer noticeable benefits over single use plastics?

3

LCBO will work with vendors to evaluate alternative solutions

05

Product Testing Optimization Initiatives





An Optimized Supply Chain

Quality Assurance Objectives

01

Reduction of the listing timeframe



02

Expedited product flow



03

Introduce operational efficiencies



04

Supporting the needs of private clients



Evolving Private Client Waivers

Updating Elite to accommodate automated flow of processing waivers for personal consumption



Lab Fees Updates

Increase the threshold for application of full testing fees to 10 cases (90L)

Introduction of processing fee for QA samples when the full testing fee is not applied



Eliminated NISS chemical analysis

Reduction in the listing timeframe

Bringing products to market faster



Expediting Release of Vintages FLR and VSO

Faster release of VINTAGES products to market by allowing product allocation to take place in parallel with the laboratory testing

Thank you



General inquiries:
quality.assurance@lcbo.com



Labelling inquiries:
quality.services@lcbo.com