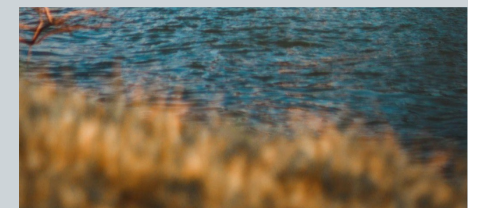
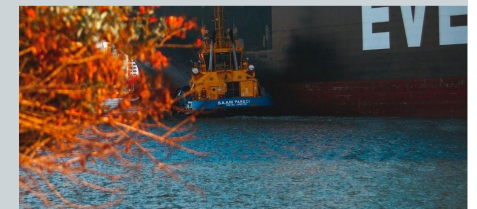




Breaking Barriers: Navigating Interprovincial Alcohol Trade for BC Producers

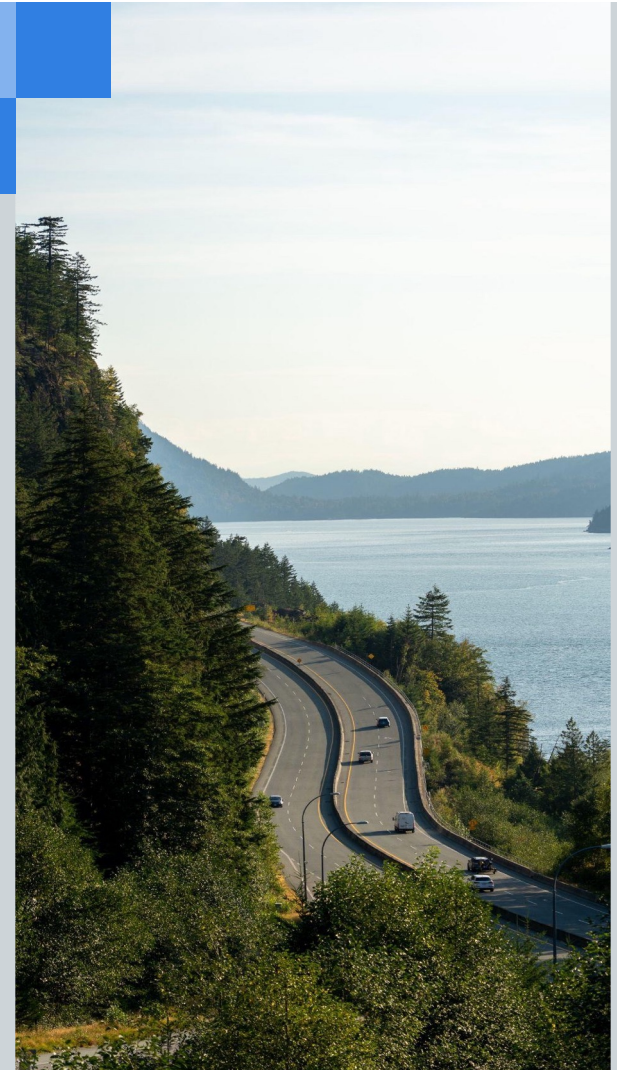
Presented by Export Navigator in partnership with B.C. Beverage Technology Access Centre (BC BTAC)

exportnavigator.ca



AGENDA

1. **Who are we?**
Introduction of Export Navigator and BC BTAC
2. **Overview Interprovincial Trade Barriers and Provincial Differences**
Different rules for selling, storing and labeling alcohol across the provinces
3. **Regulatory framework and e-commerce**
SFCR, CFIA, CFTA, ABWG, MOU 2026
4. **Impact, opportunities and practical steps for BC businesses**
How to stay informed and who can help
5. **Q&A, Discussion and closing**
What next?



HOW DOES IT WORK?

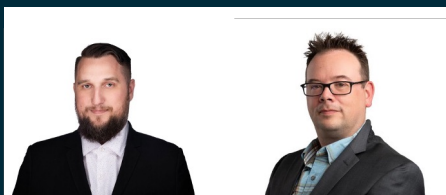
Our advisors work one-on-one with B.C. businesses to help them sell their products and services worldwide.

- In-person guidance
- Export readiness assessment
- Workbook to guide the process
- Strategy & growth plan



OUR EXPORT ADVISORS

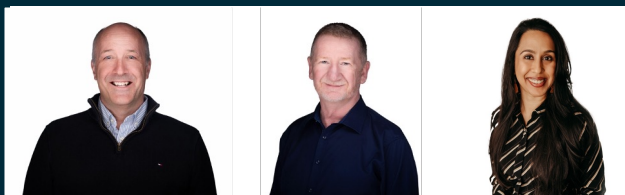
Vancouver Island



Brady
Calancie

Jason
Seed

Northern B.C.



Kevin
Pettersen

Russ
Beerling

Firyal
Mohamed

Indigenous Businesses



Shannan
Roberts

Anthony
Wingham

Vancouver & Lower Mainland



Tracey
Pham

Monique
Zizzy

Lee
Murphy

Okanagan & Kootenay



Michael
Hoher

Amber
Piché

Raeanne
Anderson

TECHNICAL SPECIALIST PILOT PROGRAM

The areas of expertise include those commonly needed by new exporters to plan and prepare to enter new international markets.

- Marketing and Branding Consulting
- Regulatory and Compliance Advisory Services
- E-Commerce and Operations Management Consulting
- International Legal Services
- International Accounting and Financial Services
- Logistics, Freight and Shipping Advisory Services
- Market Research

**Export
Navigator**



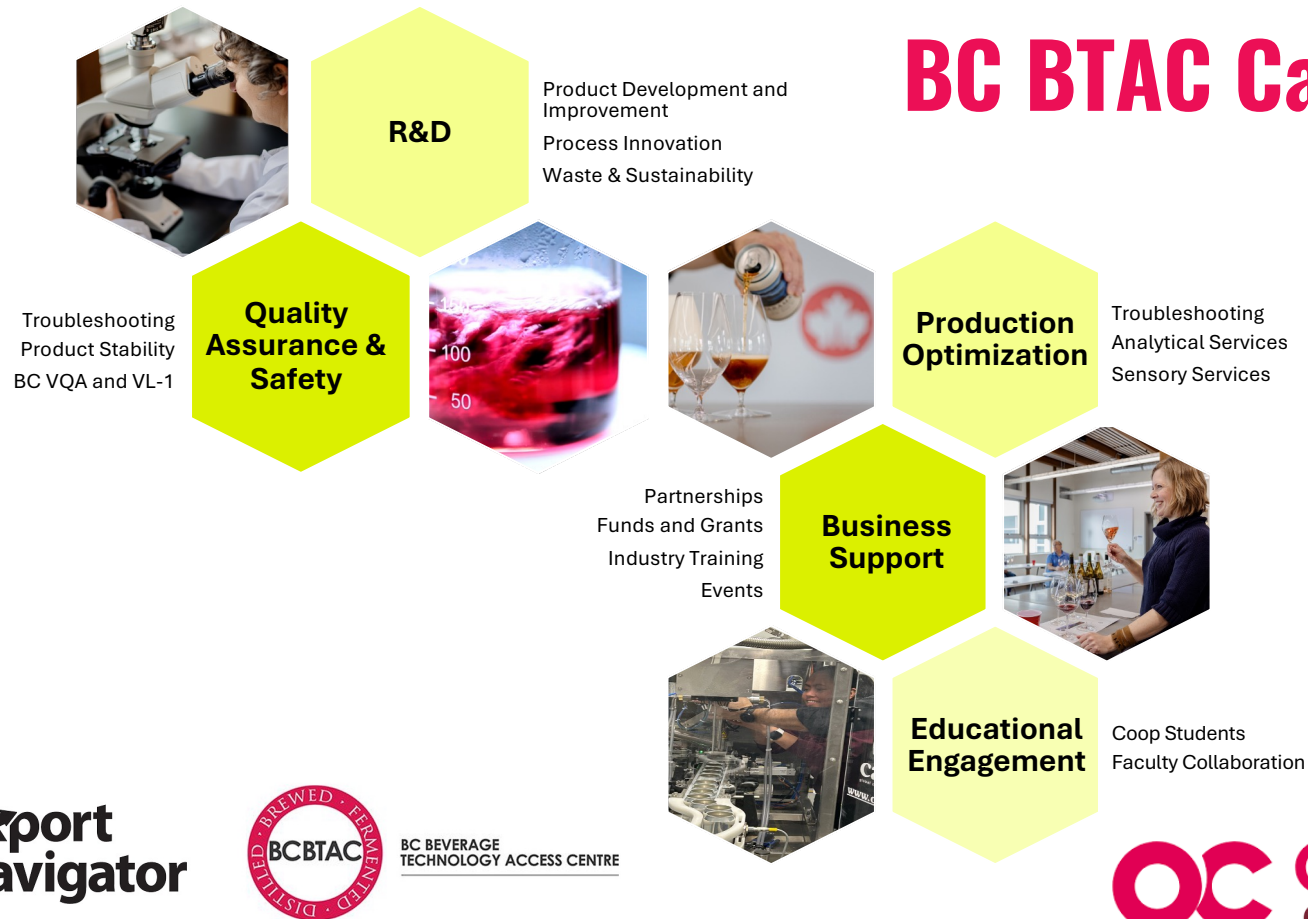
BC BEVERAGE
TECHNOLOGY ACCESS CENTRE



**Breaking Barriers: Navigating
Interprovincial Alcohol Trade for
B.C. Producers**



BC BTAC Capabilities



**Export
Navigator**



BC BEVERAGE
TECHNOLOGY ACCESS CENTRE

OC **Okanagan**
COLLEGE

**Export
Navigator**



BC BEVERAGE
TECHNOLOGY ACCESS CENTRE

OC Okanagan
COLLEGE

Interprovincial Trade Challenges

Different rules across provinces:

- Alcohol content limits, especially for non-alcoholic beverages (GC-FID: LOQ is 0.025%)
- Labeling & language

**Export
Navigator**



BC BEVERAGE
TECHNOLOGY ACCESS CENTRE

OC **Okanagan**
COLLEGE

Interprovincial Trade Challenges

BC BTAC's role:

- Support compliance, quality and competitiveness
- Actionable results aligned with your business goals

**Export
Navigator**



BC BEVERAGE
TECHNOLOGY ACCESS CENTRE

OC Okanagan
COLLEGE

How We Support Export?

- Product Development & Optimization
- Quality & Safety Testing
- Label Review & Compliance through research and analysis to a certain extend
- Innovation for Market Differentiation

OVERVIEW OF CANADIAN MARKET

Wide angle look at wine consumption and trends in Canada as a whole (domestic and imported):

2nd

Most attractive wine market globally

US\$5.6B

Value of market in 2023

12.1 l

Consumption per adult per year

62%

Purchased wine in government-controlled outlets



OVERVIEW OF CANADIAN MARKET

Wide angle look at spirits consumption and trends in Canada as a whole (domestic and imported):

184.9M l

Total spirits sold
2023/24

US\$4.9B

Value of market in
2023

2.11 l

Consumption per
adult per year

53%

Of spirits sold are
Canadian produced

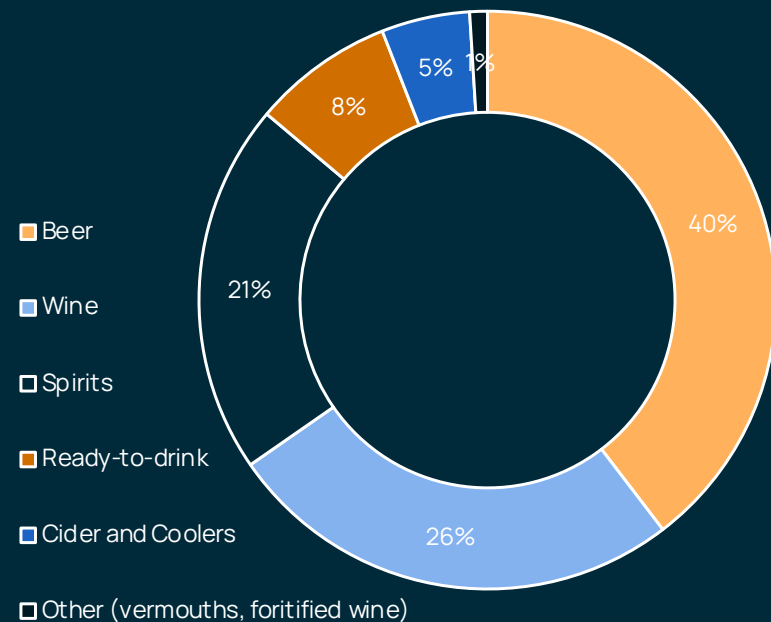


CANADIAN ALCOHOL SALES

What are Canadians buying?

- ✂ Consumption overall has been trending down
- ✂ Increased interest and opportunities for domestically produced products
- ✂ Growing interest in diversifying markets

Sales by Volume



CANADA ALCOHOL SALES

Who oversees what?

✂ Federal responsibility

- ✂ Alcohol content
- ✂ Labels
- ✂ Ingredients
- ✂ Claims
- ✂ BAC limit for drivers

✂ Provincial responsibility

- ✂ POS Advertising & Marketing
- ✂ Legal drinking age
- ✂ Interprovincial sales & shipping
- ✂ Public consumption
- ✂ Hours and location

CANADA ALCOHOL SALES

Common resources – Federal Regulations

- ✂ [Industry Labelling Tool](#)
- ✂ [Labelling requirements for alcoholic beverages](#)
- ✂ [Beer](#)
- ✂ [Canadian Food Compositional Standards](#)
- ✂ [Spirit Drink Names](#)
- ✂ [Food Additives Allowed](#)
- ✂ [Canada Alcohol Laws](#)
- ✂ [CAN/CGSB-32.310-2020](#)
- ✂ [CAN/CGSB-32.311-2020](#)
- ✂ [CIPO](#)

CANADA ALCOHOL SALES

Common Resources – Provincial Regulations

- ✂ SAQ - Bottle Labelling and Packaging Guide
- ✂ LCBO Simplified Labelling Guides
- ✂ LCBO Product Packaging Standards and Guidelines for Chem Analysis
- ✂ Alberta Label Requirements
- ✂ SLGA
- ✂ NSLC

IMPACT OF TRADE RELATIONS

Tariff issues

✂ Reciprocal 25%

- US imported wine
- Raw materials
- Import delays and disruption

✂ Increased domestic competition

- ✂ Market diversification
- ✂ Product differentiation

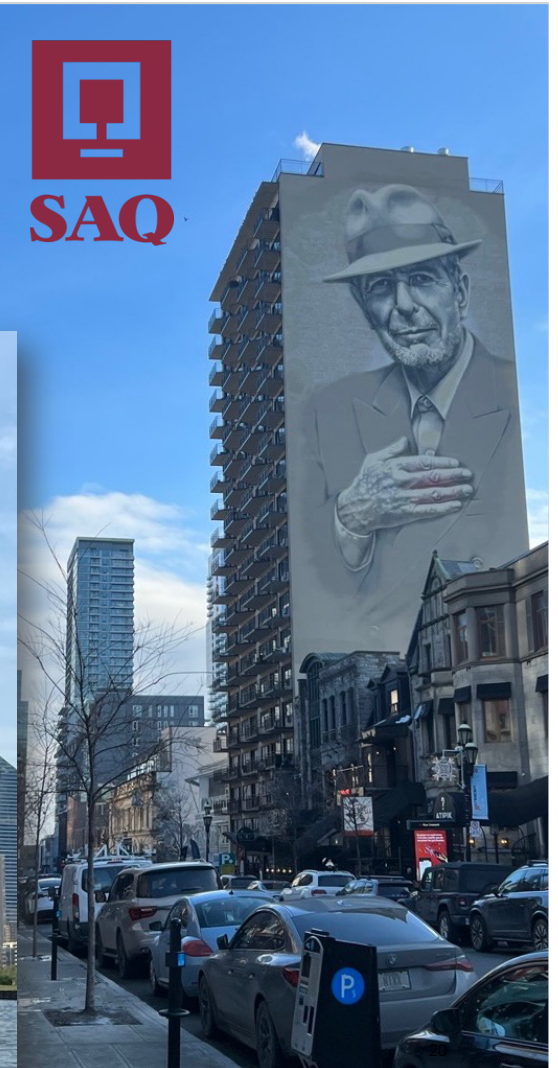
OVERVIEW INTERPROVINCIAL TRADE BARRIERS AND PROVINCIAL DIFFERENCES

- ✕ Canadian-produced wines account for approximately 30% of total wine sales nationally
 - ✕ NS – 58.3% of domestic sales
 - ✕ NB – 56.1% of domestic sales
 - ✕ BC – 47.2% of domestic sales
 - ✕ ON – 32.5% of domestic sales
- ✕ QC's alcoholic beverage of choice is wine – 42.6% of total alcohol sales in province
 - ✕ \$4 out of every \$5 of wine sold was from imported wine
 - ✕ QC consumers – how are they different?



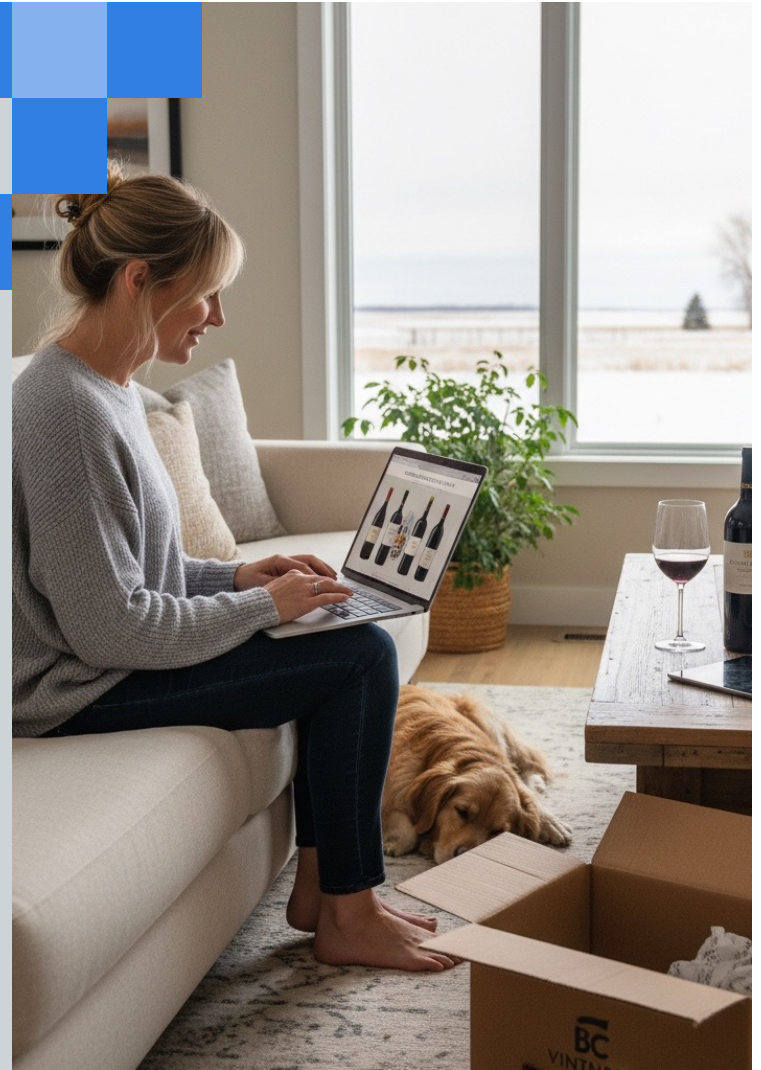
OVERVIEW INTERPROVINCIAL TRADE BARRIERS AND PROVINCIAL DIFFERENCES

- ✕ Ontario
 - ✕ LCBO
 - ✕ Limits DTC
 - ✕ Restrictive
- ✕ Quebec
 - ✕ Regulations, requirements –SAQ
 - ✕ Labels/consumer profile
 - ✕ Tax



OVERVIEW INTERPROVINCIAL TRADE BARRIERS AND PROVINCIAL DIFFERENCES

- ✕ Alberta
 - ✕ Open
 - ✕ Leading DTC
 - ✕ Markup and Tax structure
 - ✕ Taxes and fee collection
- ✕ Saskatchewan and Nova Scotia
 - ✕ SK privatization
 - ✕ D2C



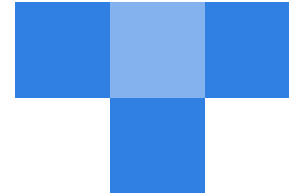
ONTARIO

- ✕ The year 2024 marks the Largest expansion since prohibition
- ✕ Increased retail outlets means more shelf space opportunities
 - ✕ Bill 2 – Protect ON through Free Trade Within Canada Act, 2025
 - ✕ Final regulations expected by fall 2025
- ✕ Minimum retail price rules in certain categories - guide
 - ✕ Container size for wine
 - ✕ ABV for RTD (cider and wine & spirit based)

LCBO



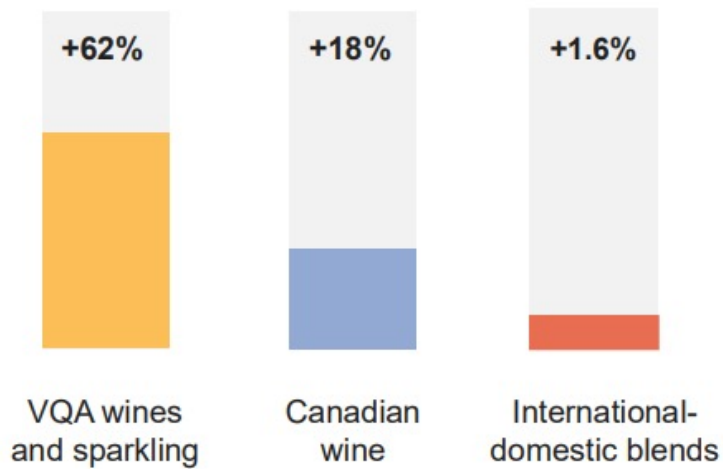
ONTARIO



Shifts in buying trends

ONTARIO- AND CANADIAN-MADE WINE

Post Tariffs TY vs. LY



Note: Post Tariffs (weeks 46-52 F24-25)

GROWTH IN CANADIAN SPIRITS

YoY Growth



BY COUNTRY

Post Tariffs (since implementation)





ENTERING ONTARIO

	STEP	DESCRIPTION
1.	Regulatory Review	Ensure product meets all legal and labelling requirements
2.	Channel Selection	Choose between LCBO, private order, consignment or new retail options
3.	Licensing/Agent Engagement	Secure an AGCO-licensed agent in Ontario
4.	Product Submission	Agent submits product for LCBO assessment and listing
5.	Pricing & Distribution	Negotiate terms, set up delivery and maintain ongoing compliance

LCBO

Product Submission Process

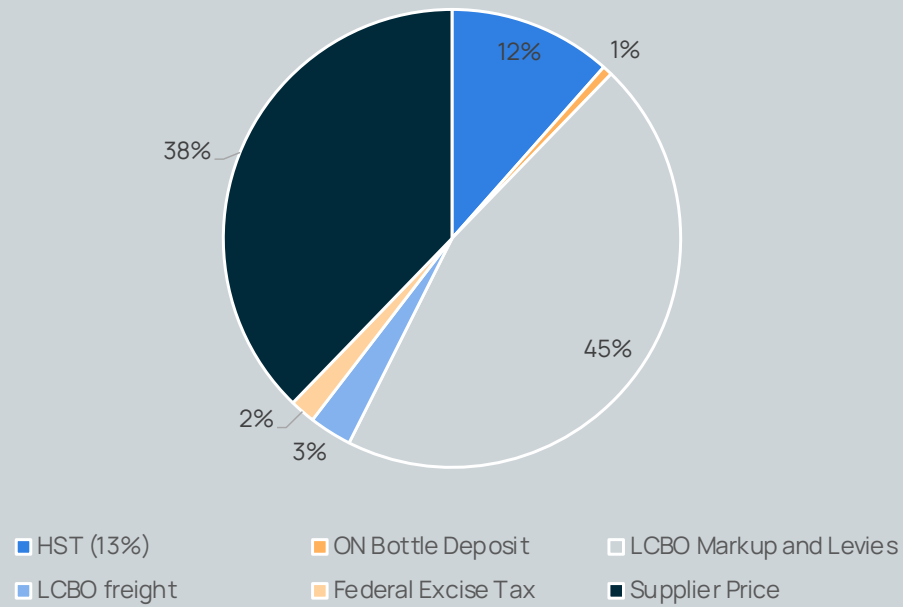


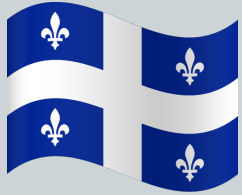
Specific timeline may vary by submission. Samples are not required until step 4.

All products being evaluated are subjected to a vigorous multi-stage evaluation process to ensure fair and equitable decisions are reached.

ONTARIO - \$30 RETAIL WINE PRICE BREAKDOWN

Cost component





QUEBEC

- ✕ Spirits – markup
- ✕ Current market preference for local distilleries
- ✕ Growth categories – where can BC fit?
- ✕ Via SAQ online sales seeing 2.6% increase from preceding fiscal year – 3.6% of consumer sales and CDN\$107.3m
- ✕ SAQ POP – Espace SAQ.com for in-store tastings, and online buying
- ✕ SAQ acts as wholesaler to QC grocery and convenience store network – not yet available to BC-based alcohol producers.

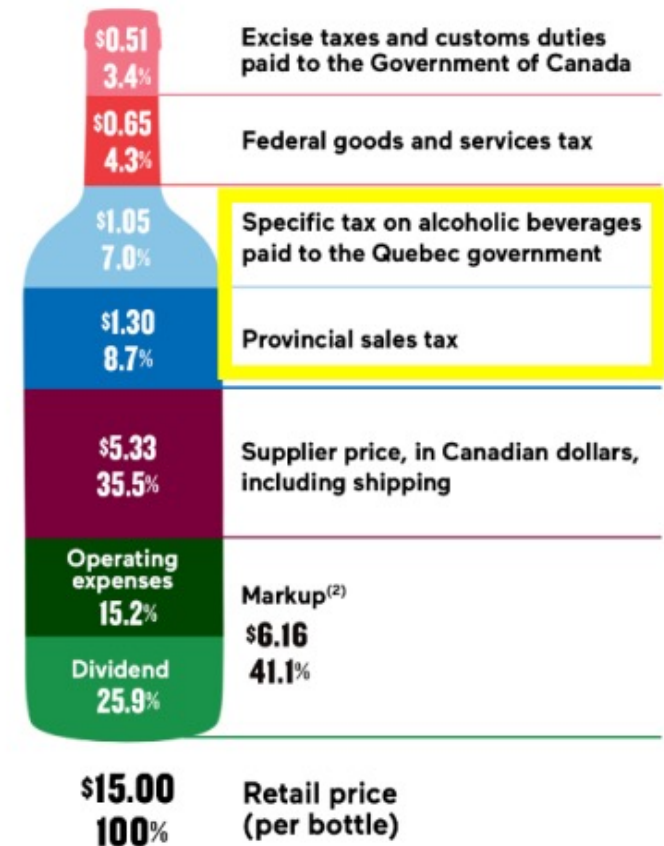


ENTERING QUEBEC

1. Register with SAQ
2. Application process and negotiation
3. Authorization and Delivery
4. Sales listing, price negotiations, promotions
5. French label laws (QC Bill 96)
6. Current tax and markup structure



SAQ pricing breakdown in QC





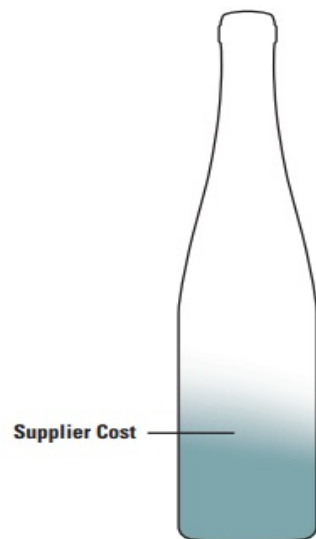
ALBERTA

- ✗ Privatized retail liquor system
- ✗ AGLC is the legal importer of record
- ✗ AGLC does not require Product Code or UPC to be printed on packaging or label
- ✗ Typically registered via Liquor Agency Portal (LAP)
- ✗ Containers need to be registered with Alberta's Beverage Container Management Board (BCMB)
- ✗ No specific lab testing to sell but AGLC retains the right to request samples for analysis.



Journey of a Bottle

As it journeys from the manufacturer to the store shelf, a liquor product will have a number of different fees attached to it. Follow the journey below to see where and when these different fees are added to create the competitive retail price you see on Alberta's shelves.

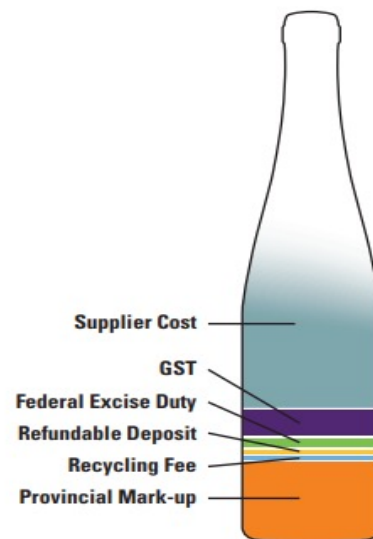


MANUFACTURER'S FACILITY

READY TO MARKET

The liquor manufacturer, or a representative, registers with the AGLC to make the product available in Alberta.

At registration, the manufacturer, or a representative, submits to the AGLC the supplier's cost of the product. The supplier's cost includes the cost of manufacturing the product as well as all other costs related to distribution and marketing of the product.



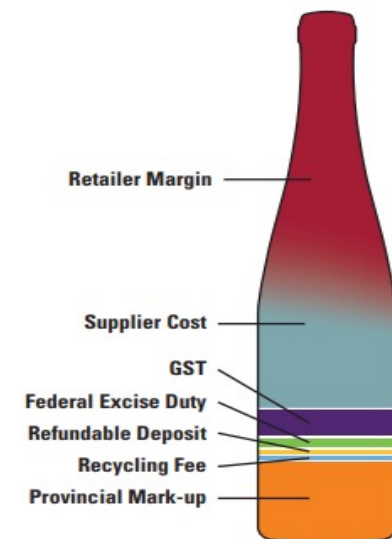
WAREHOUSE

AT THE WAREHOUSE

The majority of liquor products are shipped through the AGLC's warehouse in St. Albert, where they are stored if required before being shipped to a licensee such as a liquor retailer. Domestic beers are distributed through manufacturers' warehouses.

In addition to supplier's cost, federal customs and excise duties (where applicable), GST, bottle deposit, recycling costs, and provincial mark-up make up the wholesale price.

Liquor retailers buy liquor products at the wholesale price.



RETAIL STORE

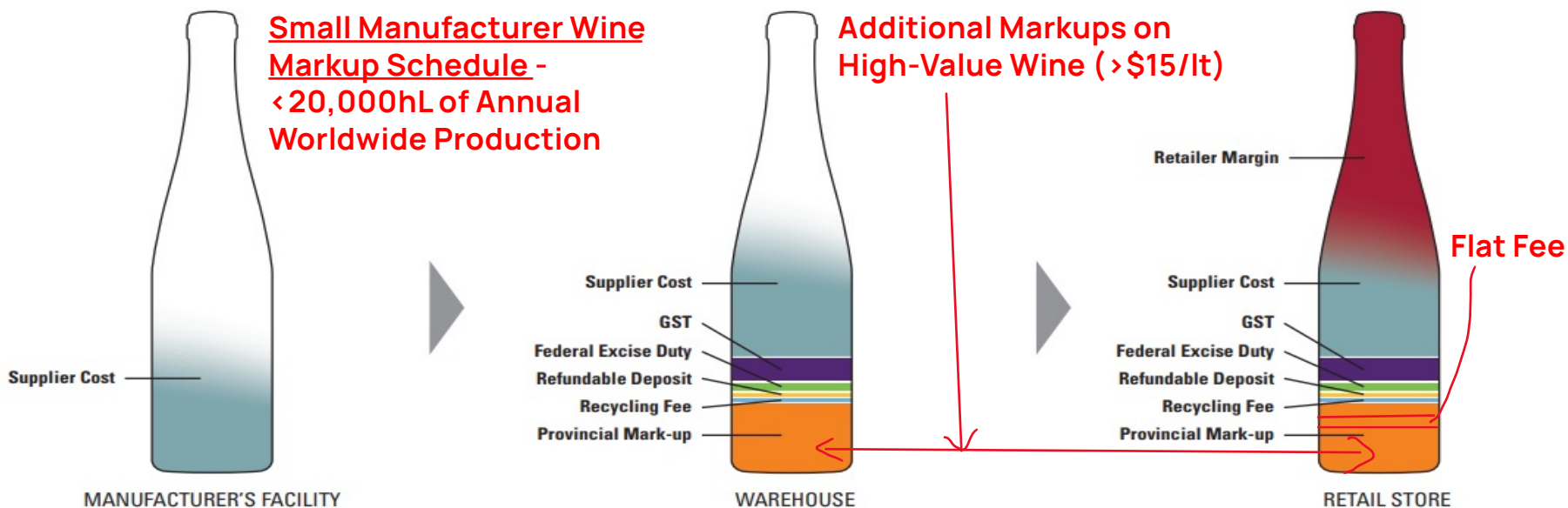
ON THE SHELF

Liquor retailers set the final retail prices – meaning products could have different prices in stores throughout the province.

Consumers buy liquor products from a retailer of their choosing.

Journey of a Bottle

As it journeys from the manufacturer to the store shelf, a liquor product will have a number of different fees attached to it. Follow the journey below to see where and when these different fees are added to create the competitive retail price you see on Alberta's shelves.



READY TO MARKET

The liquor manufacturer, or a representative, registers with the AGLC to make the product available in Alberta.

At registration, the manufacturer, or a representative, submits to the AGLC the supplier's cost of the product. The supplier's cost includes the cost of manufacturing the product as well as all other costs related to distribution and marketing of the product.

AT THE WAREHOUSE

The majority of liquor products are shipped through the AGLC's warehouse in St. Albert, where they are stored if required before being shipped to a licensee such as a liquor retailer. Domestic beers are distributed through manufacturers' warehouses.

In addition to supplier's cost, federal customs and excise duties (where applicable), GST, bottle deposit, recycling costs, and provincial mark-up make up the wholesale price.

Liquor retailers buy liquor products at the wholesale price.

ON THE SHELF

Liquor retailers set the final retail prices – meaning products could have different prices in stores throughout the province.

Consumers buy liquor products from a retailer of their choosing.

ALBERTA

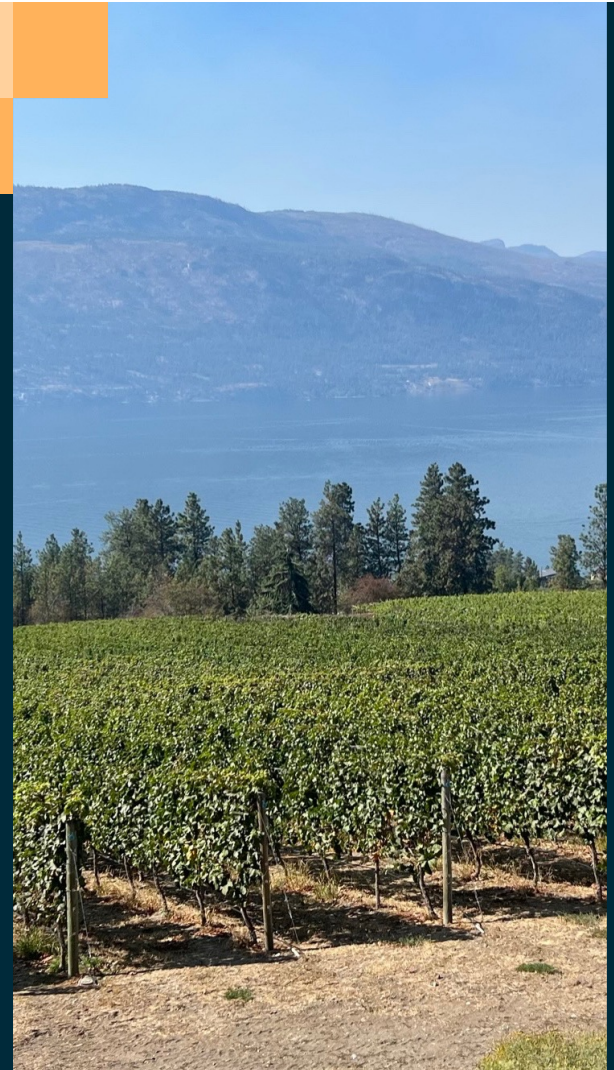
- ✕ Monthly reporting and payment
- ✕ Order fulfillment
- ✕ DTCShipping@aglc.ca or 1-888-447-8289 to initiate approval process
- ✕ Focused on wine but expect to incorporate beer and spirits
- ✕ Age verification
- ✕ Shipping containers
- ✕ “Dry” communities



REGULATORY FRAMEWORK AND E-COMMERCE

What is CFTA?

- ✦ Negotiations began in 2014 between premiers and federal government
- ✦ MOU committing to advance Direct-to-Consumer alcohol sales
- ✦ CFTA established the Alcoholic Beverages Working Group (ABWG)
Alcohol Laws



REGULATORY FRAMEWORK AND E-COMMERCE

Trade in alcoholic beverages – Action Plan





- ✘ Personal Use Exemption Limits
- ✘ E-Commerce Platforms
- ✘ Improving Existing and Considering New Sales Channels
- ✘ Improving Transparency and Accessibility of Information
- ✘ Increasing Transparency in Pricing
- ✘ Improving Listing Practices
- ✘ Maintaining a Fed/Prov/Territorial Working Group

REGULATORY FRAMEWORK AND E-COMMERCE





Trade in alcoholic beverages – MOU

- ✂ Focus on D2C Sales of Alcoholic Beverages
- ✂ Signed by all but one
- ✂ MOU to provide the framework
- ✂ Each Prov/Territory may need to amend own Acts to comply
- ✂ Includes a working group
- ✂ May 2026





REGULATORY FRAMEWORK AND E-COMMERCE

Province/Territory	DTC Allowed?	Process Summary	Allowed Products	Key Restrictions/Notes	Impact on BC Producers
Alberta 	Yes (active since 2025)	Must register with AGLC, monthly reporting, taxes	Wine (primary), expanding to spirits/beer	Direct shipment with age verification, tax remittance; must meet Alberta labeling and packaging standards	BC wineries can ship direct; expanding market access, easing barriers but with fees and compliance costs causing market entry/growth complications
	Yes	Provincial licensing with regulations for producers	Wine, beer, spirits	Producers can sell and ship directly within BC and to other provinces with agreements	Growing interprovincial opportunities
Ontario LCBO	Yes (transitioning)	Expected full compliance by May 2026	Wine, beer, spirits	Complex tax and regulatory setup; must use Ontario Liquor Control Board as wholesaler	BC producers face costs and delays but improving with national initiatives
Quebec 	Planned by May 2026	Limited currently; new regime pending	Limited direct shipping	SAQ controls; no direct DTC shipping now; stringent label and import controls	Limited access, pending reform, current complex monopoly system
Manitoba LIQUOR & LOTTERIES 	Yes	Similar DTC frameworks underway	Wine, beer, spirits	Age verification required, regulatory reporting; expanding access	New market opportunity expanding for BC producers

REGULATORY FRAMEWORK AND E-COMMERCE

Province/Territory	DTC Allowed?	Process Summary	Allowed Products	Key Restrictions/Notes	Impact on BC Producers
	Yes	Limited DTC permitted, regulatory compliance	Wine and spirits primarily	Must comply with provincial liquor laws; requires approval and reporting	BC producers gaining incremental access
	Preparing (early stages)	MOU signed; implementation imminent	Pending	Taxation and age verification in development	Expected opening soon with full integration
	Yes	Part of national movement; specifics pending	Wine, beer, spirits, RTD	Developing systems for safe shipping and taxation	New opportunities forthcoming
	Preparing	Signed MOU; regulatory framework pending	Pending	Focus on public health and consumer protection	Expanding access planned

REGULATORY FRAMEWORK AND E-COMMERCE

Province/Territory	DTC Allowed?	Process Summary	Allowed Products	Key Restrictions/Notes	Impact on BC Producers
 NORTHWEST TERRITORIES LIQUOR AND CANNABIS COMMISSION	Not yet signed	No current DTC framework	N/A	Remote regional restrictions	No impact currently
 Yukon	Not yet signed	No current DTC framework	N/A	Limited infrastructure and population make DTC complex	No impact currently
 Nunavut <small>ᓄᓇᓂᓪᓴᓂ ᓇᓂᓇᓂᓪᓴᓂ ᓇᓂᓇᓂᓪᓴᓂ Nunavut Taangat Higaarlukutunikiu Alcools et Cannabis Nunavut Nunavut Liquor and Cannabis</small>	Not yet signed	No current DTC framework	N/A	Unique regulatory and logistical challenges	No impact currently
 NEWFOUNDLAND LABRADOR LIQUOR CORPORATION	Not yet signed	No current plans	N/A	Traditional highly regulated monopoly system	No impact currently

OPPORTUNITIES

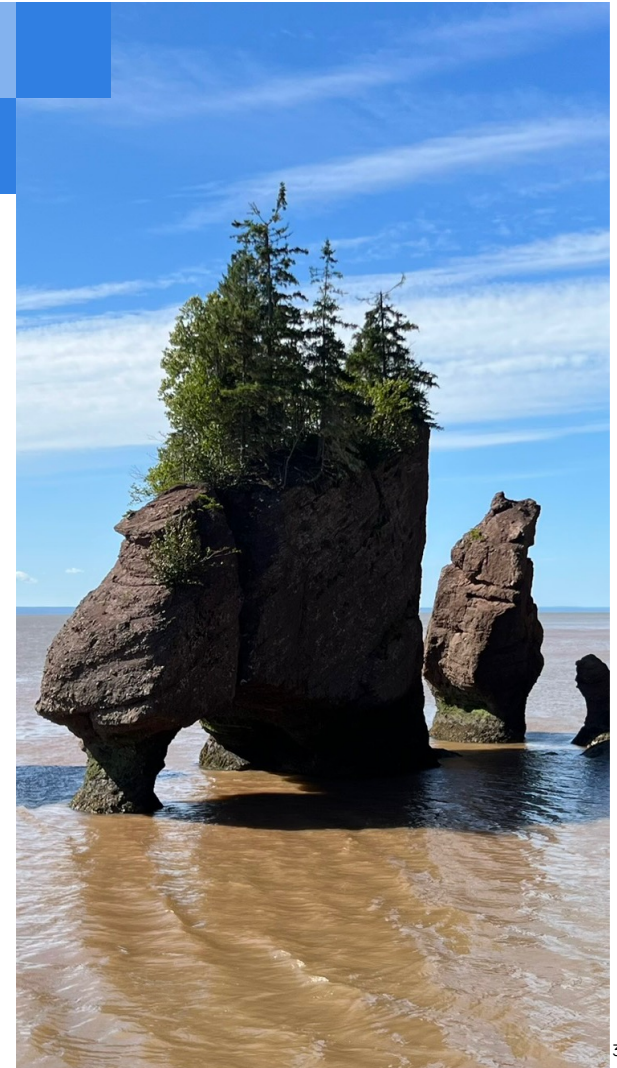
- ✕ Est. Value of Wine Market: CDN\$7.7B
- ✕ Est. Value of Spirits Market: CDN\$6.9B
- ✕ ~ 88% of Beer consumed is Canadian produced
- ✕ ~ 46% of Spirits consumed is Canadian produced
- ✕ ~85% of RTD consumed is Canadian produced
- ✕ Shift in Consumer behaviour → Buy Canadian
- ✕ Less U.S. Alcohol imports (QC / ON / BC)

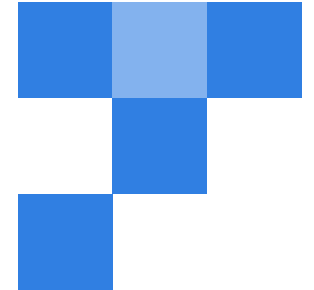


OPPORTUNITIES

Provincial Breakdown (2022/2023)

Province/Territory	Imported Wine Share	Domestic Wine Share	Notes
British Columbia	~ 52.8% imported	~ 47.2% domestic	Domestic share nearly half
Ontario	~ 67.5% imported	~ 32.5% domestic	Import-dominant
Quebec	~ 81.6% imported	~ 18.4% domestic	Very high import share
Nova Scotia	~ 41.7% imported	~ 58.3% domestic	Domestic wines lead in NS
New Brunswick	~ 43.9% imported	~ 56.1% domestic	Domestic wines lead in NB



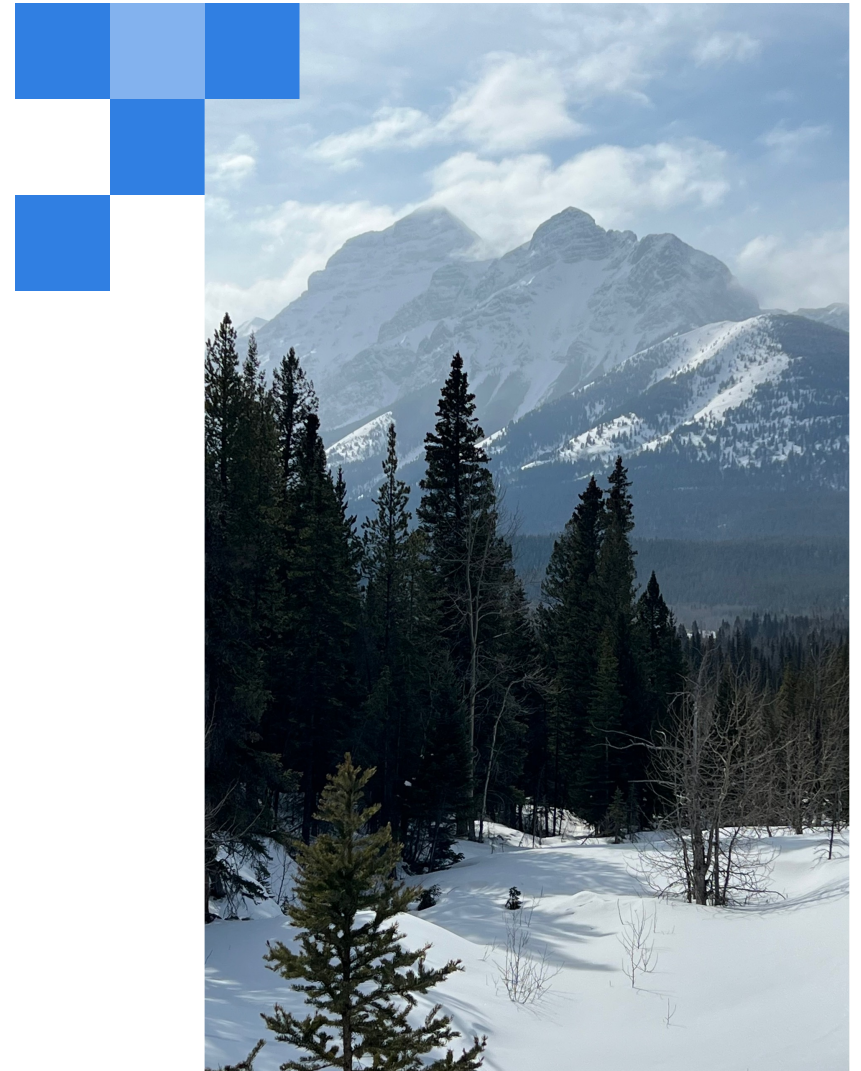


PRACTICAL STEPS

1. Choose your market
 - ✓ Watch 'Choose your Market' webinar
2. Review and Prepare for Regulations / Label Changes
3. Develop Sales & Marketing Strategy
 - ✓ Wholesale / DTC
 - ✓ Define Ideal Customer
 - ✓ Understand Competition
 - ✓ SEO Optimization

PRACTICAL STEPS

- ✧ Invest in efficiencies
- ✧ Solidify Competitive Advantage
 - ✧ Sustainability focus
- ✧ Opportunity to focus and grow
 - ✧ Premiumization
 - ✧ Craft brands



RESOURCES



Resource	Programs and Support
BC BTAC	Blending, organoleptical & sensory evaluations; product development & technical expertise
AAFC	Agri-Food Trade Service – Market intelligence, trade leads, global opportunity tools Canada Brand Program – Unified branding platform for Canadian food & beverage exports Programs – Periodic funding for marketing, certification, innovation
BC Ministry of Agriculture & Agrifood	Buy BC – marketing & branding Agri-Business Planning Program – planning & advisory Export Program (Sustainable CAP) – trade shows & market entry Innovation Support – R&D, tech adoption (e.g. smoke taint) Enhanced Replant Program – resilient vines/crops Manufacturing Jobs Fund – equipment & expansion
Business Development Bank of Canada (BDC)	Business financing and advisory services
PacifiCan	Regional Tariff Response Initiative – support for businesses impacted by tariffs

Q&A



Share your questions
via the chat/Q&A!

CONTACTS



BC BTAC
Dr. Karin
Grosstessner-Hain
Kgrosstessner-hain@okanagan.bc.ca



The Beverage Collective
Letittia King
letittia@bevcollective.com



Export Navigator
Chelsea Sang
chelsea@exportnavigator.ca



Export Navigator
Raeanne Anderson
raeanne@exportnavigator.ca



Export Navigator
Amber Piche
amber@exportnavigator.ca

Thank You

CONTACT

info@exportnavigator.ca

exportnavigator.ca



[EMAIL SUBSCRIBE](#)



We gratefully acknowledge the financial support of the Province of British Columbia through the Ministry of Jobs, Economic Development and Innovation, and the Government of Canada through Pacific Economic Development Canada (PacifiCan).

