APEC Wine Regulators Forum

Simplifying the Certification Process

Tom LaFaille
APEC Export Certification Workshop
Greenbelt, Maryland U.S.
April 25, 2012
Overview

- Asia-Pacific Wine Trade / Trade Barriers
- 2011 WRF Seminar
  - Export Certificates
- Current TTB Work with WRF, China
- 2012 WRF meeting in New Zealand
Asia-Pacific Wine Trade

- Pacific-Rim wine trade growing dramatically

- APEC economies are significant factors in the global wine trade and within Region:
  - Region trade up 300% to $3.6 billion since 2000
  - Enormous growth in exports from Asian APEC economies (rice and other fruit wines)
APEC Economies Made Up More than One-Quarter of All Global Wine Trade in 2010, Up from 21.8% in 2000

2010 Total Wine Trade $70 Billion

APEC Members 26%

$18

Other Countries 74%

$52

Billions of US $

Source: Global Trade Information Services.
Change in Wine Consumption by Economy Since 1990

*Consumption Has Grown Considerably in Most APEC Economies*

- China
- U.S.
- Russia
- Australia
- Japan
- Canada
- New Zealand
- Hong Kong
- Chile
- Others

*Wine Consumption Increases*

Sources: OIV, TDA, Global Wine Statistical Compendium
Growth in Trade Barriers

- Unnecessary rules cost APEC economies $1 billion/year
  - Impacts all economies (producing and non-producing)

- Eliminating duplicative trade barriers:
  - Protects consumers
  - Reduces the costs of cross-border trade
  - Generates revenue for APEC economies
In 2002, World Wine Trade Group first discussed APEC.

In 2008, APEC endorsed “Wine Regulatory Forum.”

U.S. organized first WRF Seminar on Sept. 18-19, 2011.
- 110 regulators/stakeholders from 18 of 21 APEC countries

Goals:
- Maximize participation
- To promote Regulator dialogue and cooperation
- Learn International organizations/standards
- Build confidence in regulatory regimes
Seminar Highlights

- Presentations from Chile, China, Japan, Korea, Mexico, Peru, Chinese Taipei, Thailand
- Review of Key Int'l Organizations: WTO, Codex, APEC
- Best Practices in Regulation: WWTG Mutual Acceptance
- Good Regulatory Practices
- Regulators-Only Meeting
- TTB Compliance Laboratory Tour
While consumer safety is critical, wine is a “low risk food”
- Acid and alcohol make it an unfavorable environment for growth of pathogenic microorganisms
- Codex Principles For Food Import and Export Inspection and Certification:
  - Consider costs to consumers and industry
  - Rules should be no more restrictive of trade than is necessary to achieve the required level of protection
U.S. Tax and Trade Bureau issues 1,846 wine certificates per year (1,485 to APEC economies)

In 2011, TTB conducted APEC-wide review of certification requirements, finding:
• Countries where no certificates required
• Required certificates
• Required analyses
• Recommended certificates/analyses
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Australia: F
Brunei: No importation of alcohol beverages
Canada: A (The individual provinces require business and/or agent registration paperwork)
Chile: E (Only for bulk shipments (density, alcohol content, TA, VA, RS, total dry extract, sulfites, chlorides))
China: A
Chinese Taipei: A (Not required, but encouraged (sulfur dioxide, methanol, lead))
Hong Kong: B (not required, but encouraged), F
Indonesia: C, D, E (Either Certificate of Conformity or Certificate of Free Sale, but not both)
Japan: E, E
Malaysia: A
Mexico: A, B, D, and sometimes E
New Zealand: F
Papua New Guinea: F
Peru: A, D, E
Philippines: B, D, E
Republic of Korea: F
Russia: A (not required, but recommended), B, C, D and E (Required to get Certification of State Registration; Hygiene Certificate replaced by Certification of State Registration; Certificate of Conformity replaced by Declaration of Conformity)
Singapore: A, B, E, F (Not required, but encouraged)
Thailand: A
USA: C, E (None required for EU and VWM & grape wines)
Vietnam: E
Seminar Outcomes

- Build on Established Networks
  - Participate in Codex, APEC and WWTG

- Reduce Trade Barriers
  - Utilize TTB *Certification Compendium*
  - Refer to the CODEX guidance on certificates
  - Participate in APEC:
    - Food Safety Cooperation Forum
    - Export Certificate Workshop
Outcomes (cont’d)

- Develop Forward-Looking Work Plan:
  - Include Stakeholders in discussions
  - Exchange information on regulatory developments
  - Accept E-certificate or Consolidate certifications
  - Identify opportunities to continue the dialogue
Next Steps

- Continue regular WRF communications
  - TTB organized WRF calls in Dec. 2011, April 2012
  - TTB and AQSIQ discussing consolidating 3-4 certificates TTB now issues for exports to China

- New Zealand organizing next APEC WRF meeting
  - Wine Risk Assessment and Management
  - November 5-6, 2012 in Auckland, NZ
  - Joint APEC/WWTG Regulators session on Nov. 7
Thank You

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