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The Health, Safety and Related Regulations of Wine in Chinese Taipei

Submitted by: Chinese Taipei



**Seminar on Key Issues in Wine Regulation
San Francisco, United States
18–19 September 2011**

The Health, Safety and Related Regulations of Wine in Chinese Taipei

APEC Seminar on Key Issues in Wine Regulation
San Francisco, USA, 18-19 September, 2011

Presentation by the Ministry of Finance
Chinese Taipei



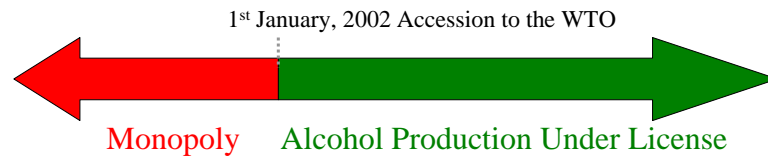
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1. Market Scope of the Alcohol Industry

■ The Framework for Alcohol Administration



- The Tobacco and Alcohol Administration Act
- 9 categories of alcohol products:
beer, fruit wine, beverages brewed from grains,
other brewed alcoholic beverages, distilled spirits,
reprocessed alcoholic beverages, cooking alcohols,
ethyl alcohol and other alcoholic beverages
- No specific regulation governing wine



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1. Market Scope of the Alcohol Industry

■ Practices and Regulation of Certification

- (1) Alcohol production and importation under license, issued by the MOF
- (2) Document required for application for license:

| Document required for application for license | Production license | Import license |
|---|--------------------|----------------|
| Photocopies of the company licence/business registration | ✓ | ✓ |
| I.D. of the responsible person | ✓ | ✓ |
| Factory registration certificate | ✓ | — |
| Certification of conformity with environmental protection | ✓ | — |
| Certification of land ownership or contract of lease | ✓ | — |
| Production and operation plan | ✓ | — |

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1. Market Scope of the Alcohol Industry

■ Oenological Practice

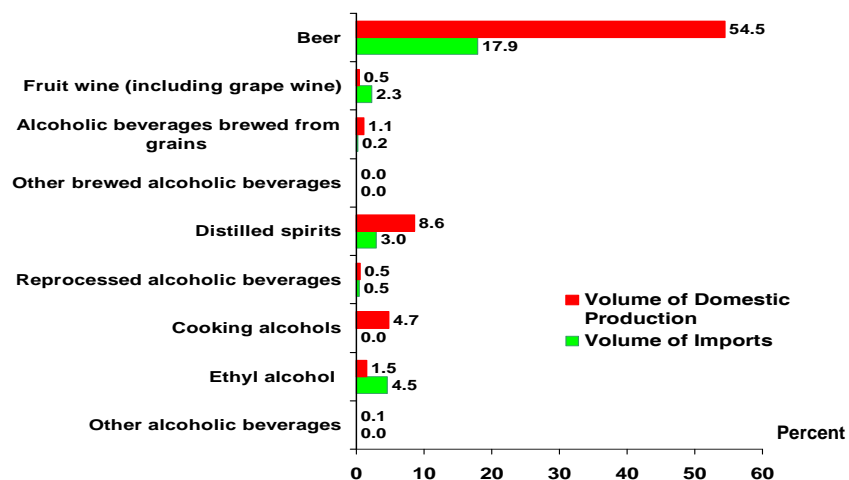
■ General requirement of oenological practice-- upon application for production license

- (1) To specify the raw materials, period of fermentation, period of storage, production equipment, facilities for quality control and hygiene inspection
- (2) To comply with the [Hygiene Standards for Alcohol Product Containers](#) and [Hygiene Standards for Alcohol Products](#)

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1. Market Scope of the Alcohol Industry

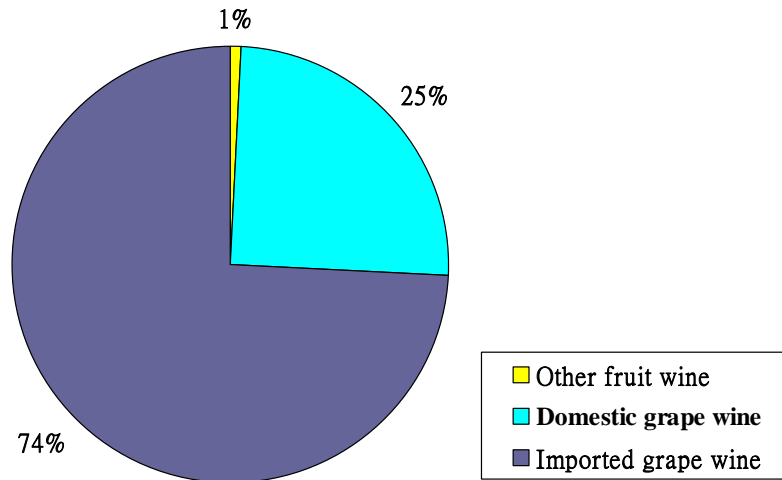
Market share, by category, 2010



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1. Market Scope of the Alcohol Industry

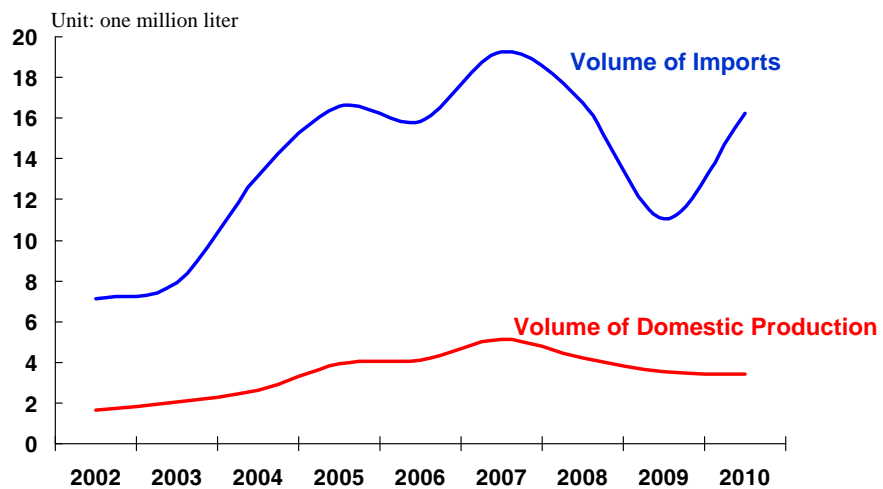
Market Share of Grape Wine in the Category of Fruit Wine



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1. Market Scope of the Alcohol Industry

Volume of Wine, Domestic Production and Imports, 2002-2010



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1. Market Scope of the Alcohol Industry

Volume of Domestic Production and Imports in 2010 Unit: 100 L

| | Domestic | Import | Total |
|--|-----------|-----------|-----------|
| Beer | 3,909,232 | 1,282,493 | 5,191,725 |
| Fruit wine (including grape wine) | 35,038 | 163,093 | 198,131 |
| Alcoholic beverages brewed from grains | 78,641 | 14,177 | 92,817 |
| Other brewed alcoholic beverages | 428 | 26 | 453 |
| Distilled spirits | 617,383 | 213,183 | 830,566 |
| Reprocessed alcoholic beverages | 36,943 | 33,767 | 70,710 |
| Cooking alcohols | 339,603 | 1,281 | 340,885 |
| Ethyl alcohol | 108,839 | 324,083 | 432,922 |
| Other alcoholic beverages | 8,222 | 850 | 9,072 |
| Total | 5,134,329 | 2,032,953 | 7,167,282 |

Source of figures: Ministry of Finance (<http://www.nta.gov.tw>)

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2. Historical Development and Prospects of the Alcohol Industry

Historical development

- 人生得意須盡歡，莫使金樽空對月。(將進酒李白 唐朝)
Enjoy drinking at every wonderful moment in your life,
don't let the golden cup be empty beneath the moonlight.
(Li Bai, 701-762 AD)
- Most alcohol products in Chinese Taipei were brewed and distilled from grain, e.g., brewed: Shaoxing, distilled: rice spirits, sorghum spirits
- Under the monopoly system, 1895 to 2001, private production of tobacco and alcohol was banned

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2. Historical Development and Prospects of the Alcohol Industry

Historical development

- 1987-- Ban on the import of alcohol products lifted
- 2002-- Monopoly system abolished. Production and import of alcohol allowed based on prior licensing
- 31st July, 2011-- 2693 license permits for tobacco and alcohol importers issued
- 418 license permits for tobacco and alcohol manufacturers issued

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2. Historical Development and Prospects of the Alcohol Industry

Prospects

- Opportunity for grape wine to increase market share
- To ensure consumer safety—
2003– Promotion of **The Certification System of Alcohol Products**
 - ◇ The alcohol product produced by a specific manufacturer whose manufacturing process passes the examination criterion set by the MOF can be authorized use the label bearing the logo of “The Certification System of Alcohol Products” on the bottle of the product



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2. Historical Development and Prospects of the Alcohol Industry

Prospects

- The Certification System of Alcohol Products promoted
 - ◇ Categories of alcohol products certificated up to 2011:
 - 1.grape wine 2.fruit wine
 - 3.rice spirits and cooking alcoholic beverages
 - 4.grain spirits (except rice spirits and sorghum spirits)
 - 5.sorghum spirits
 - 6.fruit reprocessed alcoholic beverages



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3. Regulations Concerning Health and Safety

- The Tobacco and Alcohol Administration Act--
 - ◇ Hygiene of alcohol products shall comply with the hygiene standards and relevant regulations
 - ◇ Import of foreign alcohol products may be permitted after having been inspected for their conformity to the hygiene requirements
- Hygiene Standards for Alcohol Product Containers
- Hygiene Standards for Alcohol Production
- The Hygiene Standards for Alcohol Products



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The Hygiene Standards for Alcohol Products

| Hygiene items | Category of Alcohol Product | Limitation |
|-----------------|--|--|
| Methyl alcohol | Alcoholic beverages | 1,000-4,000 mg/L (100% ethyl alcohol) |
| Lead | Alcoholic beverages | 0.3 mg/L |
| Sulphur dioxide | Alcoholic beverages brewed from fermented fruits | 0-0.4 g/L |
| Sorbic acid | Alcoholic beverages brewed from fermented fruits | 0.2 g/L |
| Benzoic acid | Alcoholic beverages with an alcohol content of 15% or less | 0.4 g/L |
| Lutein | Alcoholic beverages | 10 mg/L |
| Other additives | Alcoholic beverages | Shall not have the following: 1.Toxic or any other substances/ matter harmful to human health. 2. Never been used on food/beverages and have not yet been proven to be harmless to human health. |

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The Hygiene Standards for Grape Wine

| Hygiene items | Limitation |
|-----------------|---|
| Methyl alcohol | 2,000 mg/L (100% ethyl alcohol) |
| Lead | 0.3 mg/L |
| Sulphur dioxide | 0.4 g/L |
| Sorbic acid | 0.2 g/L |
| Benzoic acid | 0.4 g/L (For alcoholic beverages with an alcohol content of 15% or less) |
| Lutein | 10 mg/L |
| Other additives | Shall not have the following: 1.Toxic or any other substances/matter harmful to human health. 2. Never been used on food/beverages and have not yet been proven to be harmless to human health. |

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4. Other Regulations and Issues

■ Regulations Governing the Labeling of the Alcohol Products

- ◇ The labeling of alcohol shall be clear, legible, and easily distinguishable and shall not be false or misleading about the characteristics of the alcohol products.
- ◇ **Mandatory requirements for labeling**
 1. Brand name
 2. Product type
 3. Alcohol content
 4. Origin of product
 5. Name and address of producer
 6. Name and address of importer (for imports)
 7. Volume
 8. For alcohol products with an alcohol content of 7% or less, the expiration date
 9. Health warnings
 10. Other labeling required to be included by the MOF



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4. Other Regulations and Issues

■ Regulations Governing the Labeling of Alcohol Products

- ◇ Labels shall be firmly affixed to the containers and not easily destroyed or damaged.

■ Types of Conformity-Assessment Procedures

Lot-to-lot inspection, lot-sampling inspection, documentary examination, spot check

■ Process to Formulate New Regulation or Amend Existing Ones

Information collection ➡ drafting/ amending regulation ➡
public hearing ➡ legislative process



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5. Conclusions

- The alcohol industry in Chinese Taipei is still a booming one.
- Continuous improvement in alcohol administration.

