

ONTARIO GRAPE SUPPORT PROGRAM GUIDELINES 2025/26

Program Overview

The Ontario government is committed to creating and supporting opportunities for Ontario's grape and wine sector as the industry responds to global downward trends in wine consumption and seeks opportunities within Ontario's expanded alcohol retail marketplace.

The Ontario Grape Support Program encourages the use of more Ontario grapes in the production of International Domestic Blend (IDB) and 100% Ontario non-VQA wines. Total program funding will be up to \$35 million annually for five years, from 2025-26 until 2029-30. The Program will be delivered by Agricorp, an agency of the Ontario government, on behalf of the Ministry of Agriculture, Food and Agribusiness (OMAFRA).

Program Definitions

In these Guidelines,

"Affiliated Licensed Wineries" means a group of Licensed Wineries where:

- One of them is a subsidiary of the other, or
- They are subsidiaries of the same body corporate, or
- Each of them is controlled by the same person;

"Applicant" means an Ontario winery that applies to the Program;

"Convenience Store" has the same meaning as set out in Ontario Regulation 746/21: Licensing under the *Liquor Licence and Control Act, 2019*;

"Grocery Store" has the same meaning as set out in Ontario Regulation 746/21: Licensing under the *Liquor Licence and Control Act, 2019*;

"Eligible Wine" means wine that is produced by the complete or partial alcoholic fermentation of fresh grapes, or of products derived solely from fresh grapes, or both. Eligible wine must also meet the following conditions:

- The wine has not been fortified with spirits ("Fortified Wine");
- The wine is manufactured in Ontario from Ontario grapes or grape product, or a mixture of imported grapes or grape product and Ontario grapes or grape product;
- no less than 25% of grape product used to produce the wine must have been made using grapes grown in Ontario, or grape product produced from such grapes to which no water has been added at any time;
- If water is added to the grapes or grape product from which the balance of the wine is derived, the volume of the balance of the wine as measured on November

30, in the year in which the wine is manufactured must not exceed 902 litres per one tonne of grapes; and

- The wine has an alcohol content of between 8.5% and 15% by volume.

“Eligible Wine Sales” means the volume of Eligible Wine which during the Sales Year is sold in a winery’s On-Site Winery Retail Store or shipped for sale in Ontario through LCBO retail channels, and wholesale channels including grocery and convenience stores. Sales from On-Site winery Retail Stores may include in-person, phone-in, online, farmer’s market, tasting room, and Special Occasion Permit transactions conducted from the on-site location. Wine sold through any channel not listed above, such as direct to licensees, off-site winery retail stores, wine boutiques, duty free, out-of-province or export is excluded;

“Eligible Wine Production” means all Eligible Wine packaged by the winery for final sale to the consumer in the Sales Year regardless of which eligible channel it is sold through or timing of the sale. Eligible Wine Production does not include the volume derived from Pinot Grigio grapes in IDB wine provided that all Pinot Grigio grapes grown in Ontario are sold in the Sales Year;

“Funding Year” means April 1, 2025 to March 31, 2026 and is the period when Grant Payments are issued based on eligible applications;

“Grant Payment” means the amount of Program funding provided to an eligible Applicant in the Program Year;

“IDB” means International Domestic Blends (IDB) which may contain up to 75% imported wine. Ontario wineries must use a minimum of 25% Ontario grapes in an individual bottle of IDB wine;

“100% Ontario non-VQA” means wine made entirely from Ontario grown grapes that does not carry the Vintners Quality Alliance (VQA) certification;

“LCBO” means the Liquor Control Board of Ontario;

“Licensed Winery” means a winery with a valid Alcohol and Gaming Commission of Ontario (AGCO) manufacturers licence. “Licenced Wineries” has a corresponding meaning;

“On-Site Winery Retail Store” means a store which operates under the authority of a Winery Retail Store Endorsement as issued by the Alcohol and Gaming Commission of Ontario;

“Ontario Grape Content” means the percentage of grape content in a finished wine, that originated from grapes grown in Ontario;

“Payment” means the total amount provided to or payable to an eligible Recipient based on overall Program funding, and the total number of eligible Licenced Wineries that participate in the Program in the Funding Year in accordance with these Guidelines;

“Program” means the Ontario Grape Support Program, an initiative under Minister’s Order 0001/2025, as amended or replaced, and as administered by Agricorp;

“Program Year” means April 1, 2025 to March 31, 2026 and includes the period during which Grant Payments are issued;

“Recipient” means a successful eligible Applicant;

“Requirements of Law” means all applicable statutes, regulations, by-laws, ordinances, codes, official plans, rules, approvals, permits, licenses, authorizations, orders, decrees, injunctions, directions, agreements, the Minister’s Order 0001/2025, as amended or replaced, and these Guidelines;

“Sales Reported to the LCBO” means sales that have been reported by the Winery to the LCBO by October 31, 2025. Sales volumes reported through the Winery Reporting Template (“J-10”) must have been submitted to the LCBO no later than October 31, 2025. Any sales volume data submitted after October 31, 2025 will not be used for payment calculations;

“Sales Year” means the period of April 1, 2024 to March 31, 2025;

“Verification of Blend Percentages” means a verification process undertaken by a third party will review and verify the percentage of Ontario grape content reported within each tier. Agricorp will contact all Applicants via email, to initiate the verification process.

Eligible Wine Production

Program eligibility will be based on the Sales Year volumes of IDB and 100% Ontario non-VQA wines, not including Pinot Grigio IDB wines. The three-year, graduated phase-in eligibility period and funding eligibility is contingent on two conditions:

- Each Applicants Eligible Wine Production must exceed 25% from April 1, 2024 to March 31, 2025, and must exceed 35% in the 2025-26 production year from April 1, 2025 to March 31, 2026 and 50% in the 2026-27 production year from April 1, 2026 to March 31, 2027 and subsequent years.
- The collective average of all Applicants Eligible Wine production must exceed 30% Ontario grape content from April 1, 2024 to March 31, 2025, and must exceed 40% from April 1, 2025 to March 31, 2026 and 50% from April 1, 2026 to March 31, 2027 and subsequent years.
- The Program will be restricted to Eligible Wine as outlined above in Program Definitions.

Applicant Eligibility

To be eligible for funding under the Program, Applicants must meet all of the following criteria:

- Be a legal entity that is a sole proprietor, corporation, partnership, or unincorporated association. Articles of Incorporation or other acceptable proof of legal name and status must be made available to Agricorp upon request;
- Be a Licenced Winery or a corporation with a controlling interest in one or more Affiliated Licensed Wineries;
- Have Eligible Wine Production and Eligible Wine Sales of Eligible Wines, or be deemed eligible by OMAFA to have Eligible Wine Production and Eligible Wine Sales of wines in Ontario assigned from a former business to the Applicant;
- Submit a completed application form by the deadline established in these Guidelines;
- Have appropriate governance structures, accountability, and control processes in place to administer and manage the program grant funds;
- Agree to comply with all of the terms and conditions of the Program as set out in these Guidelines; and
- Be in compliance with and remain in compliance with all Requirements of Laws.

Affiliated Licensed Wineries

Only one Licensed Winery of a group of Affiliated Licensed Wineries may apply to the Program in a Funding Year. The Ontario grape content sales data from all Affiliated Licenced Wineries will be totalled under the one application for purposes of calculating the Grant Payment, if any.

Incorporated Licensed Wineries that are affiliated body corporates within the meaning of the *Business Corporations Act* (Ontario) will be considered to be one entity for the purpose of applying for the Program in a Funding Year, regardless of the number of AGCO manufacturers' licences held by the Affiliated Licensed Wineries.

Application Process

Application form submission deadline: **January 5, 2026 at 11:59 pm EST.**

Agricorp will send application forms to each prospective Applicant. Applicants use the application to submit their Ontario grape content sales data from the Sales Year. All applications for the Program must be received by Agricorp by the application submission deadline.

The completed application will be reviewed by Agricorp to determine if Program criteria has been met. If the application form submitted is incomplete or does not otherwise meet the Program's requirements, Agricorp may determine that the application is ineligible.

As part of the Program application process, Applicants will be required to share additional winery data with a third party to review and verify applicant-reported data in respect of the grape content of the Applicants' wine.

All Applicants are subject to a third party verification of Eligible Wine Sales and Eligible Wine Production. If the verification determines the Recipient has received a Grant Payment that the Recipient was not eligible to receive, the Recipient will repay the Grant Payment. Agricorp reserves the right to recover any debts owing to His Majesty the King in Right of Ontario. Any overpayments and other program debt will be recovered in a manner consistent with His Majesty the King in Right of Ontario's collections practice and in consideration of applicable Government of Ontario legislation and directives.

How Grant Payments are Calculated

Determination of Eligible Sales Volume

Grant Payments will be determined based on the volume of Eligible Wine Sales sold by an eligible Licensed Winery or corporation (including its Affiliated Licensed Wineries) between **April 1, 2024, and March 31, 2025 as reported to the LCBO**. Eligible Wine Sales used in the determination of Payments are based on Ontario sales only.

If a winery or part thereof has been sold, OMAFA may, at its sole discretion, direct Agricorp to assign all or a portion of the 100% Ontario non-VQA and IDB Wines Sales Data from a former business to the new business owner for use in calculating a Grant Payment.

Determination of Payment

Agricorp will determine an Applicant's Payments based on Eligible Wine Sales. Grant payment is based on a four-tiered volume-based payment structure that supports eligible wine sales through the LCBO, and Grocery, Convenience Store, and on-site winery retail stores:

1. Tier 1 provides a grant of \$1.80 per litre for 100% Ontario grape content,
2. Tier 2 provides a grant of \$1.35 per litre for 75%-99% Ontario grape content,
3. Tier 3 provides a grant of \$1.10 per litre for 50%-74% Ontario grape content,
4. Tier 4 provides a grant of \$0.90 per litre in 2025-26, \$0.85 per litre in 2026-27, 0.80 per litre in 2027-28 and 0.70 per litre in 2028-29 and 2029-30 for 25%-49% of Ontario grape content.

In the event that the sum of all Recipients Grant Payments in the Funding Year exceeds the available funds, Grant Payments will be prorated as follows:

- Payments will be made in descending order of Ontario grape content, with Tier 1 paid first, followed by Tier 2, 3, and 4.

- Payments will be pro-rated for the tier in which the funding cap is reached, and no payments will be made with respect to subsequent tiers.

Example scenario to illustrate how Payment is calculated*

Eligible Applicant produces 100 litres of 100% Ontario non-VQA wine and 100 litres of IDB wine with 25% Ontario grape content in the Sales Year:

The eligible Applicant will have 200 total litres of Eligible Wine Production, of which 125 litres are made from Ontario grapes (100 litres of 100% Ontario non-VQA and 25 litres of 25% IDB). This equates to 62.5% sales containing Ontario grapes. This applicant would be eligible to receive payment under the Program.

Calculation:

Tier 1 - 100L eligible sales

$$\text{Tier 1 Payment} = (100\text{L} \times \$1.80 \text{ per L}) = \$180$$

Tier 2 - No sales of wine with between 75% and 99% Ontario grape content

No Tier 2 payment

Tier 3 - No sales of wine with between 50% and 75% Ontario grape content

No Tier 3 payment

Tier 4 - 100 litres of eligible sales

$$\text{Tier 4 Payment} = (100\text{L} \times \$0.90 \text{ per L}) = \$90 \text{ (subject to proration)}$$

Total payment = Tier 1 + Tier 2 + Tier 3 + Tier 4

$$= \$180 + \$0 + \$0 + \$90$$

$$= \$270$$

Proration:

For the above example scenario, if it was determined that there were available funds to only pay Recipients for 50% of Tier 4 sales, the payment would be prorated as follows:

Total payment = Tier 1 + Tier 2 + Tier 3 + 50% of Tier 4

$$= \$180 + \$0 + \$0 + (0.5 \times \$90)$$

$$= \$180 + \$0 + \$0 + \$45$$

$$= \$225$$

* Example scenario is for information and illustration purposes only, and is not intended to be binding upon Agricorp, the Ontario Ministry of Agriculture, Food and Agribusiness (OMAFRA), or the Crown. Example scenario assumes eligibility for funding under the Program in every regard.

Additional Requirements for Applicants and Grant Recipients

The following are additional conditions for funding:

Grant Payment Recipients and Applicants must provide accurate, timely, and complete information to Agricorp or its authorized representative(s) when requested, including, without limitation, supporting documentation as required to verify the eligibility of the Applicant or to verify the accuracy of the Grant Payment to the Applicant. Any Applicant who provides false or misleading information to Agricorp and/or its authorized representative(s) may be disqualified and required to repay any Grant Payments received under the Program.

Grant Payment Recipients must agree that OMAFA may publish or otherwise publicize information such as the names and addresses of Grant Payment Recipients and the amount of the Grant Payment.

Grant Payment Recipients must acknowledge and agree that Agricorp and OMAFA may disclose and use reported sales data information for the purpose of determining Grant Payments under the Program.

Further, the information provided under the Program may be subject to disclosure under the Freedom of Information and Protection of Privacy Act (Ontario) or by order of a court, tribunal, or otherwise by law.

Other Considerations for Applicant and Grant Payment Recipients Including Compliance

Agricorp, OMAFA, or their authorized representatives may conduct an audit or investigation of any Applicant or Grant Payment Recipient in respect of their eligibility and the Applicant/Grant Payment Recipient must cooperate with the audit or investigation including by providing information or access to a person, place, or thing.

If it is determined that the Recipient has received a Grant Payment that the Recipient was not eligible to receive, through administrative error or otherwise, the Recipient will repay the Grant Payment. Agricorp reserves the right to recover any debts owing to His Majesty the King in Right of Ontario. Any overpayments and other program debt will be recovered in a manner consistent with His Majesty the King in Right of Ontario's collections practice and in consideration of applicable Government of Ontario legislation and directives. Should a Recipient have any pre-existing debts owing to His Majesty the King in Right of Ontario, Agricorp may recover against that pre-existing debt through a set-off against any payments a Recipient may be eligible to receive under the Program. As a condition of funding, Recipients are also responsible for complying with all Requirements of Law,

The Government of Ontario, including Agricorp and OMAFA, take no responsibility for bringing a Program Applicant or Recipient into compliance with the Requirements of Law or

for the consequences if the Program Applicant or Recipient fails to comply with the Requirements of Law.

Failure to comply with the Requirements of Law may result in the Applicant being ineligible to receive a Grant Payment under the Program and may require the repayment of any Grant Payments received by a Recipient under the Program. In addition to the rights set out under “Other Considerations for Grant Payment Recipients”, Agricorp will require repayment of Grant Payments provided pursuant to the Program that were obtained by ineligible Recipients, including non-compliant Applicants.

OMAFRA and Agricorp reserve the right to revise these Guidelines from time to time.

Applicants have the onus of confirming that they are following the most recent version of the Guidelines before submitting an application.

The Program is a discretionary, non-entitlement program. OMAFRA and Agricorp make no guarantees that all or any Applicants, including eligible Applicants, will receive funding under the Program. Applying to the Program does not create any legal or other right to a Grant Payment under the Program.

In the event of a conflict between anything set out in this Program Guideline and Minister’s Order 0001/2025, as amended or replaced, the latter will prevail.

Contact Information

For more information about the Program contact Agricorp:

Telephone: 1-888-247-4999

Email: grapesupport@agricorp.com

Website: Agricorp.com

Également disponible en français