

# Doing Business in the Canadian Produce Marketplace

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**United Fresh 2014**  
Produce Innovation Starts Here



# Doing Business In Canada - What you need to know

United Fresh, June 2014, Chicago



# Panel Overview

**Destination Inspection Service, CFIA –**

**Shelley Ippolito**

- Regulatory modernization
- Destination inspection

**Fruit and Vegetable Dispute Resolution Corporation (DRC) – Fred Webber**

- Priorities for 2014
- Services in Canada

**Canadian Produce Marketing Association (CPMA) –**

**Ron Lemaire**

- Staying connected and informed
- Trends in Canada

# Regulatory Modernization

- ▶ New *Safe Food for Canadians Act (SFCA)* will mean stronger food safety rules, more effective inspection, commitment to service and more information for consumers.
- ▶ Thirteen federal food inspection regulations will be replaced by one set of food regulations

## Consultations began last year and continue

- New – Regulatory Framework for Federal Food Inspection: Overview of Proposed Regulations (available on CFIA Web Site) Consultations close – July 21, 2014
- Fall 2014, *Canada Gazette I* – Comment period open until Winter 2015
- Mid 2015, *Canada Gazette II* – Target for new food inspection regulations to come into force followed by staged implementation

# Licensing is a Cornerstone

## Who would require a license?

- Everyone importing or preparing food for export or for inter-provincial trade would be required to have a license and comply with the requirements of the Act and Regulations

## Licensing would allow the CFIA to:

- Identify who is preparing food for inter-provincial trade or export, or importing food in Canada; and
- Authorize a person to carry out an activity (i.e. processing, treating, preserving, grading, manufacturing, packaging or labelling food, or slaughtering destined for inter-provincial trade or export)

## Licensing would:

- Apply to many not covered by CFIA regulations in past;
- Allow regulated parties to apply for one or multiple licences (e.g., for each physical location, for a number of locations or by activity); and
- Be valid for two years; a fee will apply for each licence

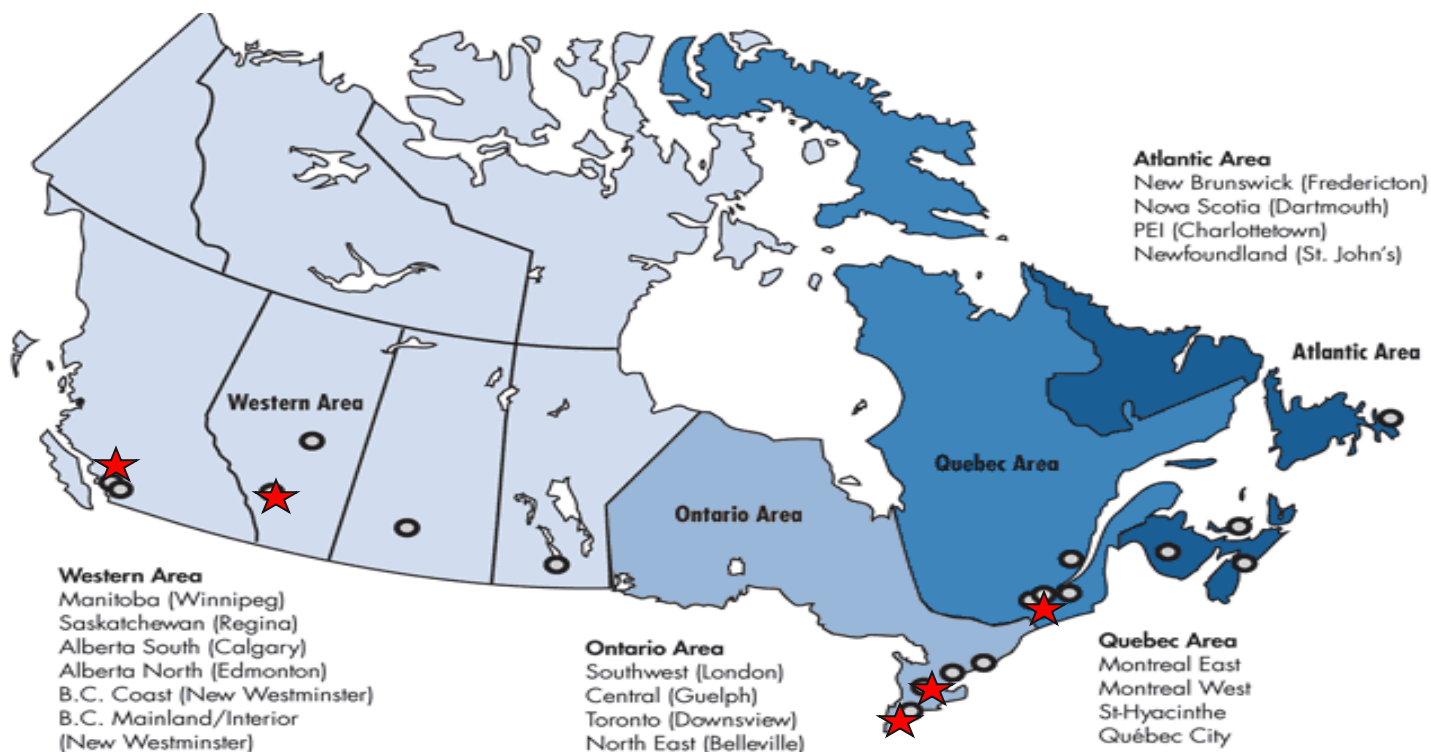
# Services in Canada: Today's DIS

- ❖ Client-focused service to meet the needs of the North American stakeholders and support fair business practices.
- ❖ Dedicated inspection staff that are highly skilled, impartial and responsive, the Government of Canada certificate is your best insurance for a fair settlement on your shipped produce if there is a dispute.

## **Service offerings:**

- ❖ Condition/ Quality/ Temperature / Custom Inspections
- ❖ Digital images and electronic certificates
- ❖ Witnessing of dumping and destruction of loads
- ❖ Technical support and recourse on inspection results

# DIS Services Are Available Across Canada



**★ Dedicated DIS Inspectors located in Montreal -- Toronto -- Vancouver -- Calgary -- Leamington**

- ✓ Inspectors are trained and accredited for each commodity
- ✓ most inspections are conducted within 8 hours, 99% within 24h of a request
- ✓ Weekend and After Hours Service is available in most locations

# The CFIA Inspection

- ✓ Canadian and US Grade Standards, federal regulations and systematic procedures for fair and impartial sampling
- ✓ Dedicated trainers, electronic inspection manuals, commodity-specific inspector accreditation and quality management oversight
- ✓ Digital images and electronic certificates are available to any party financially connected to the load.
- ✓ Custom requests available – temperature inspections are a priority
- ✓ Clear and transparent procedures, with access to national and regional technical specialists
- ✓ As Government of Canada employees, CFIA Inspectors are held to highest standards for values and ethics
- ✓ Developed and maintained with Industry and USDA-AMS input



# *DRC Perspective* – Impact of Regulatory Changes for US Shippers

- ▶ How does the change impact US Shippers?
- ▶ Membership approval by-laws and changes
- ▶ Continued harmonization of trading standards
- ▶ Due diligence: Know who you're selling to
- ▶ DRC jurisdiction
- ▶ Inspection
- ▶ Exemptions

# What Industry Said (2013)

- Support for single food regulation, licensing, preventive control plans and Hazard Analysis Critical Control Point (HACCP) approach
  - Support for outcome-based regulations, provided guidance documents are clear, easily accessible
  - Support that imported food having to meet the same regulatory requirements as domestic food; significant resistance to Canadian address requirement (e.g. Many importers operate based in US)
  - Disclosure of information – General support in the case of suspension, cancellation, recalls
- **Strong support from Fresh Fruit and Vegetable sector for:**
- New food safety requirements; pleased that CanadaGAP could be a model system;
  - Requirement for membership in the Dispute Resolution Corporation (to replace License and Arbitration Regulations)
  - Outcome-based regulations reflective of CODEX could serve as the potential basis for harmonization; and
  - Importance of federal/provincial/territorial regulatory harmonization.

# Impacts to Exports to Canada

## Changing Landscape (Massive Change Model)

- One Food Safety (Import) License and One Membership (DRC)
- Preventative Controls Plans (CFIA recognized and internationally benchmarked programs – e.g. Good Agricultural Practices and CanadaGAP, GFSI etc...)
- Outcome based Approach – Science based approach including incorporation by reference i.e. grade standards.
- Traceability – Codex based (1 Up , 1 Down)
- Import Rules – location in Canada, changes to NRI status
- Labelling Regulatory Modernization– 2016 target
- Review and Redress

# Doing Business in Canada – Made Simple

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**Fruit and Vegetable Dispute Resolution Corporation  
(DRC)**

**Canadian Produce Marketing Association (CPMA)**

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