

United States Department of Agriculture Foreign Agricultural Service

Global Agricultural Information Network GAIN REPORT

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 2/5/2018 GAIN Report Number: CA17049

Canada

Food and Agricultural Import Regulations and Standards -Narrative

FAIRS Annual Country Report

Approved By: Evan Mangino, Agricultural Attaché Prepared By: Mihai Lupescu, Senior Agricultural Specialist

Report Highlights:

The Canadian Food Inspection Agency is expected to publish the final version of the Safe Food for Canadians Regulations in the *Canada Gazette* in early 2018. In 2017, Health Canada continued to advance its Healthy Eating Strategy, including initiatives on front-of-package labeling, restrictions on marketing of foods and beverages to children, and a ban on partially hydrogenated oils in foods.

Keywords: Canada, CA17049, FAIRS, Regulations, Standards

Table of Contents

Section I. Food Laws	3
Safe Food for Canadians Act	3
Section II. Food Additive Regulations	4
Section III. Pesticides and Other Contaminants	5
Section IV. Packaging and Container Requirements	6
Section V. Labeling Requirements	7
Healthy Eating Strategy Initiatives	
Section VI. Other Specific Standards	11
Section VII. Facility and Product Registration Requirements	14
Section VIII. Other Certification and Testing Requirements	15
Section IX. Import Procedures	16
Section X. Copyright and/or Trademark Laws	17
Appendix I. Government Regulatory Agency Contacts	

Section I. Food Laws

Since April 1997, all federally mandated food inspection and quarantine services for domestic and imported foods were consolidated into the Canadian Food Inspection Agency (CFIA). On October 9, 2013, the Government of Canada announced that CFIA would report to the Minister of Health as opposed to the Minister of Agriculture. The three authorities responsible for Canada's food safety under the Minister of Health are: Health Canada (HC), the Public Health Agency of Canada (PHAC) and the food-safety responsibilities of the Canadian Food Inspection Agency. Agriculture and Agri-Food Canada (AAFC) continues to oversee CFIA's non-food safety agricultural activities, such as economic and trade issues as well as animal health and plant protection.

Safe Food for Canadians Act

On November 22, 2012, the Safe Food for Canadians Act (SFCA) received Royal Assent. In January 2017, the Canadian Food Inspection Agency (CFIA) published the proposed Safe Food for Canadians Regulations (SFCR) in Part I of the *Canada Gazette* for a 90-day public comment period. CFIA also sought input on a series of accompanying documents incorporated by reference, which will incorporate a range of food safety regulations and standards under the umbrella of the SFCR. In December 2017, CFIA was finalizing its review and analysis of public comments (over 1,700 submissions), as well as preparing final regulations, guidance documents and other tools to support regulatory implementation. CFIA expects to publish the final regulations in Part II of the *Canada Gazette* in Spring 2018. Some details of the final SFCR are already available here on CFIA's website.

The SFCA consolidates four food-related statutes (Canada Agricultural Products Act, Fish Inspection Act, Meat Inspection Act, and the food-related provisions of the Consumer Packaging and Labeling Act) in addition to its own new legislation. The proposed legislation focuses on three important areas: (1) improved food safety oversight to better protect consumers, (2) streamlined and strengthened legislative authorities, and (3) enhanced international market opportunities for Canadian industry.

New introductions by the act include:

- New prohibitions against food commodity tampering
- Strengthened food traceability
- Improved import controls
- Modernization and simplification of existing food safety legislation
- Aligned inspection and enforcement powers
- Authority to certify food commodities for export
- New review mechanism

The new Safe Food for Canadians Act consolidates the authorities of the following legislation:

- Fish Inspection Act
- Canada Agricultural Products (CAP) Act and Associated Regulations
 - ° Dairy Products Regulations
 - ° Egg Regulations
 - ° Fresh Fruit and Vegetable Regulations
 - ° Honey Regulations
 - ° Licensing and Arbitration Regulations
 - [°] Maple Products Regulations

- ° Processed Egg Regulations
- ° Processed Products Regulations
- Meat Inspection Act
- Consumer Packaging and Labeling Act

In addition to the legislation above, a number of agricultural product standards and grading requirements will be incorporated into the SFCR by reference. The documents to be incorporated by reference can be found <u>here</u>.

Additional information on the status of the SFCR can be obtained on this CFIA webpage.

Additional Food Law Considerations

CFIA's <u>Guide to Importing Food Products Commercially</u> contains additional guidance to Canadian importers that is helpful for U.S. food and beverage companies to understand. The Guide contains an <u>appendix</u> providing an overview of relevant food-related legislation. Please note that detailed requirements pertaining to imports are described in the regulations associated with the legislative Acts. Full texts of Canada's laws are available at <u>www.justice.gc.ca</u>.

In addition, CFIA's Forward Regulatory Plan provides additional information on planned and possible regulatory initiatives that CFIA expects to pursue in the next 24 months.

Section II. Food Additive Regulations

Canada's <u>*Food and Drugs Act*</u> and the associated <u>*Food and Drug Regulations*</u> strictly control the use of food additives. Most foods approved for sale in the United States comply with Canadian food additive regulations, but differences can occur at the permissible levels and in the use of food colorings and food preservatives. Products containing restricted food additives may be refused entry into Canada.

The food additive tables in *Division 16 of the Food and Drug Regulations* prescribe which additives are permitted in Canada, to which foods they can be added and up to what levels. The Division 16 tables will eventually be superseded by lists of permitted food additives that mirror the tables in Division 16. The transition to the lists of permitted food additives can be interpreted as a procedural improvement that will facilitate more timely updates and modifications of the lists of permitted food additives.

Health Canada's <u>Food Additives webpage</u> provides additional helpful information on Food Additives. You can subscribe to Health Canada's Food Additives e-Notice <u>here</u> to receive updates related to changes in the food additive regulatory landscape.

Health Canada Food Directorate's <u>Guide for the Preparation of Submissions on Food Additives</u> provides a detailed description of the application process for regulatory approval for a new food additive, for a previously unapproved use of an already-permitted food additive, for an increased maximum level of use of and already approved food additive, or for a previously unapproved source for an already-permitted enzyme. Health Canada created the <u>Food Additive Submission Checklist</u> to assist applicants in assembling the necessary materials for a food additive request.

Section III. Pesticides and Other Contaminants

Some agricultural chemicals approved for use in the United States are not registered in Canada. As a result, these pesticides are deemed to have a zero tolerance in Canada and imported foods containing unregistered pesticide residues above 0.1 parts per million are deemed to be adulterated under <u>Section</u> <u>B.15.002(1) of Canada's Food and Drug Regulations</u>. The goods are subject to detention, destruction, or return.

Pesticides are regulated under the <u>Pest Control Products Act</u> and the associated <u>Pest Control Products</u> <u>Regulations</u>. Health Canada's Pest Management Regulatory Agency (PMRA) sets maximum residue limits (MRL) for pesticides and maintains an <u>MRL Database</u> as well as a <u>residue definitions list</u>, which includes corresponding metabolites.

PMRA is also responsible for pesticide registration. More information on the PMRA-regulated product application process can be found <u>here</u>. For more information about PMRA's re-evaluation of already approved products, see GAIN Report <u>CA17017</u>.

Ontario Provincial Regulations on Class 12 Pesticides

On July 1, 2015, Ontario regulations governing the buying, selling and use of neonicotinoid-treated corn and soybeans seeds entered into effect. Under these new regulations, U.S. companies selling corn and soybean seeds treated with the neonicotinoid insecticides into the Ontario market will be subject to licensing and reporting requirements as well as certain restrictions on whom they can sell to. The responsibilities of the exporter under these new regulations will vary according to the business model of the vendor. The specific pesticides being regulated are:

- (1) imidacloprid
- (2) thiamethoxam
- (3) clothianidin

These pesticides have been designated a new class named Class 12. More information on the regulations and the responsibilities of seed vendors is available <u>here</u>.

Federal Neonicotinoid Policy

At federal level, PMRA is evaluating the impact of neonicotinoids on humans, animals and the environment. FAS/Ottawa GAIN Report <u>CA17008</u> details PMRA's proposal to phase-out imidacloprid, a neonicotinoid seed-treatment insecticide, for all agricultural uses. On December 19, 2017, PMRA published its <u>proposed MRL for imidacloprid</u>; the <u>public comment</u> period is open through March 18, 2018.

PMRA is also in the process of a scientific review of data related to two other neonicotinoids, Clothianidin and Thiamethoxam, and is supposed to conduct a public consultation process in early 2018. PMRA is targeting completion of its pollinator risk assessments in December 2017, with consultations expected to take place in early 2018. The December 2017 PMRA update on its assessment of neonicotinoids is available <u>here</u>.

Section IV. Packaging and Container Requirements

Canadian regulations governing container sizes for fruits and vegetables, processed horticultural products and processed meats stipulate standardized container sizes that may differ from U.S. sizes. The standards of identity and the container sizes are generally stipulated in the regulations encompassing agriculture and food products.

Container Sizes: Honey

Imported honey without added flavors must meet specific grades and standards. All honey must be sold in standard container sizes in specific net quantities and are outlined under the <u>Honey Regulations</u>. The regulations are available under CRFA's <u>Canadian Import and Interprovincial Requirements for Honey</u> webpage.

Container Sizes: Processed Horticultural Products

Imported processed horticultural products are subject to the requirements of Canada's <u>*Processed*</u> <u>*Products Regulations*</u>. These regulations stipulate the standards and grades for processed fruits and vegetables. The maximum container size permitted for importation is 20 kg or 20 liters. Canada requires a ministerial exemption, which is a waiver of standardized container sizes, for 'bulk' imports.

Container Sizes: Fresh Fruit and Vegetables

CFIA specifies container sizes for all produce for which a <u>grade</u> has been established. Such commodities may not be marketed in Canada in a container larger than 50 kg net weight, except for apples where the maximum container size is 25 kg. The standard container sizes for prepackaged produce are listed in <u>Schedule II</u> (section 6.1) of the <u>Fresh Fruit and Vegetable Regulations</u>.

Container Sizes: Processed Meats

Canada's Meat & Poultry Inspection Regulations stipulate the <u>standard package size requirements for</u> <u>processed meat and poultry products</u> such as bacon, sausages, sliced meats and wieners. Common U.S. package sizes for these products are different from Canadian standardized sizes. For example, sliced bacon cannot be sold in a 1 lb. package in Canada. It is mostly sold in 500 g packages, one of the standardized sizes in the regulations. <u>Schedule II</u> of the <u>Meat Inspection Regulations</u> lists all the acceptable package sizes for processed meats.

Section V. Labeling Requirements

General Requirements

In 2014, CFIA replaced the Guide to Food Labelling and Advertising with the <u>Industry Labelling Tool</u> to provide a single-source of food labelling guidance to industry. The Industry Labelling Tool content is drawn from the <u>food labeling legislative framework</u> and can be actively searched from the <u>CFIA Food</u> <u>Labelling and Advertising webpage</u>. For information not found on the Industry Labelling Tool, follow up questions can be directed to the <u>local CFIA office</u> nearest to the anticipated port of entry.

The Industry Labelling Tool includes information on:

- basic labeling requirements *
- advertising requirements
- claims as to the composition, quality, quantity and origin of foods
- nutrition labeling *
- nutrient content claims *
- health-related claims *
- regulations on food allergens *
- other product specific requirements for alcoholic beverages, processed fruits and vegetables, honey, meat and poultry, fish and supplementary products*

*Regulations differ from the United States and require adherence for retail sales in Canada.

CFIA also provides an <u>interactive food labeling requirement tool</u> designed to help consumers better understand the required components of a Canadian food label.

Allergens

Canada maintains a list of eleven <u>priority allergens</u> that must be declared in the ingredient list at levels of 10 ppm and higher:

- Peanuts
- Tree Nuts (incl. Brazil nuts, cashews, hazelnuts, macadamia nuts, pecans, pine nuts, pistachios and walnuts)
- Sesame
- Milk
- Egg
- Soy
- Wheat / Triticale
- Fish, Crustaceans and Molluscs
- Mustard
- Gluten
- Suphites

For more information on allergens, please refer to the <u>CFIA food allergen labelling webpage</u>, the <u>CFIA allergen risk management tool</u>, the <u>CFIA allergen labelling tips factsheet</u>, and the <u>Industry Labelling Tool</u>.

Image1. Allergen Labeling Format Options

How to **label** allergens:

Within the ingredients list

Ingredients: Apples, Pie crust [Flour (wheat), Shortening, Liquid albumen (egg), Salt], Sugar, Flour, Lemon juice, Whole milk, Cinnamon. May contain pecans.

Source: CFIA. Food Allergen Labelling.

Bilingual Labeling

Mandatory labeling information must be displayed in both English and French, including core labeling requirements as described on the <u>Industry Labelling Tool</u>. There are several exceptions and exemptions to the <u>bilingual labeling requirements</u>. Under the following circumstances, certain information can be provided in only one official language:

OR

- Exceptions
 - o Identity and principal place of business
 - Common name of <u>certain alcoholic beverages</u> (e.g. Tennessee Whisky, sake, etc.)
- Exemptions
 - <u>Shipping containers</u> destined for commercial or industrial institutions that will not be offered for sale to consumers at retail locations.
 - Specialty foods
 - Local Foods
 - Test Market Foods

Please refer to the <u>CFIA Bilingual Labelling Requirements webpage</u> for more information on exemptions listed above.

The province of Quebec has additional requirements concerning the use of the French language on all products marketed within its jurisdiction. Information on these requirements can be obtained from:

Sous-ministériat à la santé animale et à l'inspection des aliments

200 Chemin Sainte-Foy Québec, Quebec G1R 4X6 Telephone: 418-380-2120 and 1-800-463-5023 Fax: 418-380-2169 email: <u>smsaia@mapaq.gouv.qc.ca</u>

Quebec French language labeling information can also be found at the English language website of <u>l'Office québécois de la langue française</u>.

Using a contains statement

Ingredients: Apples, Pie crust [Flour, Shortening, Liquid albumen, Salt], Sugar, Flour, Lemon juice, Whole milk, Cinnamon.

Contains: Wheat, Egg, Milk. May contain pecans.

Food Labeling Modernization

CFIA is nearing completion of its <u>Food Labelling Modernization Initiative</u>, which aims to improve consumer access to information, enhance consumer protection and improve regulatory responsiveness. The results of CFIA's extensive consultations (conducted between 2013 and 2017) are available <u>here</u>. For additional information on the initiative, see GAIN Report <u>CA17006</u>. CFIA is expected to release a final report on the initiative in early 2018.

Nutrition / Ingredient Labelling Changes

On December 14, 2016, <u>amendments to the nutrition labelling, list of ingredients and food colour</u> <u>requirements</u> of the *Food and Drug Regulations* entered into force. The five-year transition period to the new labelling regime will end in December 2021; until that time, both old and new label formats will be acceptable. For more information please consult the <u>Health Canada Food Labelling Changes</u> <u>webpage</u>, the <u>associated CFIA webpage</u> as well as the <u>Health Canada Regulations and Compliance</u> webpage. Additional nutrition labelling information can be found in the <u>Industry Labelling Tool</u> under <u>Nutrition Labelling</u>.

Image 2. Nutrition Facts Table Changes



Source: Health Canada. Food Labelling Changes.

Image 3. New List of Ingredients Format



Source: Health Canada. Food Labelling Changes.

Healthy Eating Strategy Initiatives

CFIA and Health Canada share responsibilities in developing and enforcing Canada's food labeling requirements. Throughout 2017, Health Canada has continued to advance its <u>Healthy Eating Strategy</u>, including the following efforts:

- front of package labeling
- restricting marketing of unhealthy foods and beverages to children
- prohibiting the use of partially hydrogenated oils in foods
- reducing sodium intake

Front-of-Package Labeling

Health Canada is planning to implement front-of-package (FOP) labeling requirements in 2021, alongside previously approved changes to nutritional labeling. According to Health Canada, FOP labels would help consumers make healthier food choices by providing highly visible information on three key nutrients of concern: sodium, sugar and saturated fat. FOP labels are still being designed. For more information on the FOP labeling initiative, see GAIN Report <u>CA17037</u>. Health Canada published a report on its September 18, 2017 Stakeholder Engagement Meeting regarding FOP labeling approaches.

Restricting Marketing of Unhealthy Foods and Beverages to Children

In June 2017, Health Canada published a <u>background document</u> framing the initiative to address the negative impacts of marketing food and beverages to Canadians under the age of 17. Health Canada opened an electronic, public consultation from June 10 -August 14th, 2017, to collect input on the proposed approach to restricting the marketing of food and beverages to children.

In December 2017, Health Canada published a <u>consultation report</u> detailing the findings from the public consultation. Though the scope of restrictions has not yet been determined, the report concluded that eventual restrictions should be monitored, evaluated, enforced and adequately funded. Health Canada has not yet announced a timeline for development of new regulations.

Prohibiting the Use of Partially Hydrogenated Oils in Foods

On September 15, 2017, Health Canada published a <u>notice</u> that would ban the use of partially hydrogenated oils (PHOs). Following a twelve-month transition period, the ban will enter into effect on September 15, 2018, when Health Canada will add PHOs to Part 1 of the <u>List of Contaminants and</u> <u>Other Adulterating Substances in Foods</u>. The PHO ban will apply to foods for human consumption, including the use of PHOs as both ingredients as well as minor use applications (e.g. a pan release agent), but the ban will not apply to the use of PHOs in <u>natural health products</u> or drugs. Fully hydrogenated oils are also excluded from the ban.

Reducing Sodium Intake

From 2007-2010, Health Canada convened a Sodium Working Group to develop a <u>sodium reduction</u> <u>strategy for Canada</u>, where an estimated 80 percent of the population consumes more than 2,300 mg of sodium per day. The 2010 strategy document eventually led to the June 2012 release of Health Canada's voluntary <u>sodium reduction guidance</u> for the processed food industry. Health Canada is expected to publish a report on the efficacy of the voluntary industry effort in early 2018. Canada's head of nutrition regulations and standards indicated in a <u>November 2017 interview</u> that Health Canada will continue to pursue sodium reduction through the Healthy Eating Strategy, including FOP labeling

and an effort to reduce sodium in the food service industry; a food service sector stakeholder consultation period closed on November 20, 2017.

Section VI. Other Specific Standards

Regulatory Initiatives

Regulatory initiatives affecting food are posted for review by industry on the <u>Canadian Food Inspection</u> <u>Agency website</u>.

Fresh Fruits and Vegetables

All fruits and vegetables imported into Canada must meet specific standards and packaging regulations per the *Agricultural Products Act Fresh Fruit and Vegetable Regulations*.

U.S. fresh fruit and vegetable exporters must:

- comply with Canadian grade standards and packaging regulations;
- obtain Canadian Confirmation of Sale form (consignment selling is prohibited);
- obtain a <u>ministerial exemption</u> waiving standard container regulations for bulk products.

Consignment selling of fruits and vegetables into Canada is prohibited by law and a confirmation of sale form is required for entry. Only produce that is pre-sold will be released at the border.

Imported fruits and vegetables must adhere to established Canadian grades and standard container sizes. When there is a shortage of a product covered by the *Fresh Fruit and Vegetable Regulations*, Canada can waive the minimum grade, labeling and/or packaging requirements through a <u>ministerial exemption</u>. All aforementioned requirements can be waived when imports are destined for processing; only the labeling and packaging requirements can be waived when imported products will be repackaged. Additional information is available on CFIA's <u>fruit and vegetable webpage</u>.

Processed Fruits and Vegetables

Imported processed horticultural products are subject to the requirements of Canada's <u>*Processed*</u> <u>*Products Regulations*</u>. Among other provisions, these regulations stipulate the <u>grades and standards</u> for processed fruits and vegetables.

Importers interested in test marketing a processed fruit or vegetable product that does not meet the <u>Processed Products Regulations</u> requirements, including standard container sizes and compositional standards, may request a <u>Test Market Authorization</u>. If the product includes an unapproved food additives or unapproved use of an approved additive, then the importer would need to receive a <u>Marketing Authorization</u> from Health Canada before applying for a Test Market Authorization.

Marine

Fish and fish products are subject to the *Fish Inspection Act* and *Regulations*, which contain requirements for wholesomeness, labeling, packaging, grading, and health and safety. Canadian importers of fish and fish products must have a Fish Import Licence [sic] or a Quality Management Program Import Licence [sic]. Importers may request <u>additional information</u> needed to complete a <u>Fish</u> <u>Import Notification</u>, which must be submitted for each imported shipment. Restrictions apply to the

importation of <u>live or raw molluscan shellfish</u>, such as mussels, clams and oysters. Import permits may be required for certain types of cultured fish. Certain provinces may have additional requirements for the importation of live fish. Detailed information regarding the requirements to import fish into Canada can be found on the CFIA <u>Fish and Seafood</u> webpage.

Novel Foods (Genetically Modified Organisms (GMOs))

Canada defines <u>novel foods</u> as: products that have never been used as a food; foods which result from a process that has not previously been used for food; or, foods that have been modified by genetic manipulation. Health Canada is responsible for ensuring that all foods, including those derived from biotechnology, are safe prior to their entering into the Canadian food system.

Novel foods are regulated under the *Food and Drugs Regulations*. Prior to marketing or advertising for a novel food, companies must notify Health Canada, which conducts a safety assessment of the novel food prior to permitting its sale in the Canadian marketplace.

Labeling of novel foods is voluntary and regulated by the <u>National Standard for Voluntary Labelling</u> <u>and Advertising of Foods that Are and Are Not Products of Genetic Engineering</u>. CFIA treats novel food labeling as a claim related to the <u>method of production</u>, and provides an overview of the voluntary labeling standard in a <u>factsheet</u>.

For more information on the regulations governing genetically modified foods please see GAIN Report <u>CA17042</u> the 2017 Agricultural Biotechnology Annual Report. Additional information can be found on Health Canada's <u>dedicated webpage</u> for information concerning genetically modified and other novel foods.

Vitamin and Mineral Fortification

The addition of vitamins and minerals to food in Canada is regulated under the <u>Food and Drug</u> <u>Regulations</u>, mostly under PART D, although certain specific provisions are found under PART B. Fortification is mandatory for certain foods and voluntary for others. This information is summarized in the table <u>Foods to Which Vitamins, Mineral Nutrients and Amino Acids May or Must be</u> <u>Added</u>.

Certain foods that do not meet the regulatory requirements under the *Food and Drug Regulations* can still be marketed in Canada based on a <u>Temporary Marketing Authorization</u>. Health Canada publishes a <u>list of foods</u> that have received Temporary Marketing Authorization letters.

Wine, Beer and Other Alcoholic Beverages

The federal Importation of Intoxicating Liquors Act gives the provinces and territories full control over the importation of alcohol beverages into their jurisdictions. Provincial liquor commissions control the sale of alcoholic beverages in Canada and the market structure can vary considerably from province to province. Alcoholic beverages can only be imported through the liquor commissions in the province where the product will be consumed. In general terms, U.S. exporters are required to have their products "listed" by the provincial liquor control agency. In many provinces, U.S. exporters must have a registered agent who provides the necessary marketing support within the province to obtain a provincial liquor board listing. U.S. exporters should contact the provincial liquor board in the target market for a listing of registered agents. <u>Canadian packaging and labeling requirements for wine, beer, spirits and cider</u> are administered under Canada's Food and Drug Regulations and the <u>Consumer Packaging and Labeling Regulations</u>. In addition to the general packaging and labeling requirements for most foods, the regulations for alcoholic beverages cover common names and standardized container rules. For example, light beer in Canada is defined by regulation as beer with a percentage alcohol of 2.6 to 4.0, by volume. <u>Container sizes for</u> wine are standardized and metric. The most common containers for wine are 750 milliliters or 1, 1.5 and 2 liters. U.S. exporters should refer to the CFIA <u>Industry Labelling Tool</u> for complete information on alcoholic beverage labeling requirements.

Quebec has additional requirements to alcoholic beverage labeling. For more information about the Quebec wine market and import regulations, please see GAIN Report <u>CA17013</u>.

Though alcoholic beverages enter Canada from the United States duty free under the North America Free Trade Agreement (NAFTA), a federal excise tax is levied on all imported alcoholic beverages.

Organic Foods

The import and sale of organic food products in Canada are governed by the same rules and regulations that apply to non-organic food products. No distinction is made between organic and non-organic foods with regard to import requirements. Currently, all Canadian packaging, labeling, graded and inspection regulations apply equally to organic and to non-organic foods.

Products labelled organic must be in compliance with the <u>Organic Products Regulations</u>, 2009, and the producers must be prepared to demonstrate that organic claims are truthful and not misleading, and that all commodity-specific requirements have been met.

In 2009, the United States and Canada signed an <u>organic equivalence arrangement</u>, under which most products that bear the USDA Organic seal may also use the Canada organic logo. The following products may not sold or marketed as organic Canada:

- Agricultural products produced with the use of sodium nitrate;
- Agricultural products produced by hydroponic or aeroponic production methods;
- Agricultural products derived from animals must be produced according to livestock stocking rates as set out in the most recent version of <u>CAN/CGSB-32.310</u>.

Kosher/Halal Foods

Kosher and Halal food products in Canada are regulated as claims related to the method of production. Such claims are subject to subsection 5(1) of the <u>Food and Drugs Act</u> and section 7 of the <u>Consumer</u> <u>Packaging and Labelling Act</u>, which prohibit statements and claims that are false, misleading, and deceptive or that create an erroneous impression regarding the product, including its method of production.

Kosher food certification that a food is processed in accordance with the requirements of the Kashruth is made by a Rabbi or Rabbinical organization and is identified by the appropriate Rabbi or Rabbinical organization symbol. Similarly, <u>Halal</u> foods must be certified by a certifying body or person and the name of that certifying authority should appear on the product label. Both Kosher and Halal certifying

authorities are private entities in Canada and are not regulated under Canada's food related acts and regulations.

Irradiated Food

Health Canada is responsible for regulations specifying which foods may be irradiated and the treatment levels permitted; this information is included in <u>Division 26</u> of the <u>Food and Drugs Regulations</u>. The following irradiated products may be sold in Canada: potatoes, onions, wheat and flour, spices and dehydrated seasoning preparations, fresh and frozen raw ground beef.

<u>Regulations for the labeling of irradiated foods</u> apply equally to domestic and imported and require the identification of wholly irradiated foods with both a written statement such as "irradiated" or "treated

with radiation" or "treated by irradiation" *and* the international symbol. Additional information on food irradiation can be found on this CFIA webpage.

Special Dietary Foods

The composition and labeling of foods for special dietary use are regulated under <u>Division 24</u> of the <u>Food and Drug Regulations</u> and include: formulated liquid diets, nutritional supplements, gluten-free foods, protein reduced foods, and low calorie foods. The <u>Labelling Requirements for Foods for Special</u> <u>Dietary Use</u> are applied in addition to the general requirements enumerated in the <u>Industry Labelling</u> <u>Tool</u>.

Sample Products and Personal Consumption

Food samples for research, evaluation, or display at trade shows and food exhibitions are permitted entry, but may not be offered for commercial sale. Entry at the border will be facilitated if U.S. exporters show proof of their food exhibition participation and that the products are of U.S. origin. Typically, the weight of each product sample may not exceed 100 kilograms (about 220 pounds). CFIA provides detailed information on their webpage dedicated to the <u>importation of food and plant products</u> for trade shows and exhibitions in Canada.

Importation for personal consumption is generally restricted to 20 kilograms per product. More information on products imported for personal consumption is available on <u>this CFIA webpage</u>.

Section VII. Facility and Product Registration Requirements

Meat and Poultry

Only U.S. meat and poultry establishments <u>registered</u> with USDA FSIS are eligible to export products to Canada. In addition, CFIA maintains its <u>own list</u> of approved establishments. Exporters should confirm their establishment is listed on the CFIA list before shipping product. Please contact the <u>FAS/Ottawa</u> office if there is a discrepancy between the FSIS and CFIA directories.

Shell Eggs

Only U.S. egg processing plants that meet the environmental sampling and *Salmonella* testing requirements <u>CFIA Shell Egg Manual</u> and the <u>Egg Regulations</u> may export shell eggs to Canada. USDA AMS maintains a list of U.S. facilities <u>Approved to Export Table Eggs to Canada</u>.

Ungraded eggs may only be imported into Canada for breaking and must be delivered directly to a registered processed egg station for processing. Ungraded eggs may originate from registered or from unregistered U.S. facilities; there is no list of facilities eligible to ship ungraded eggs.

Processed Egg Products

Only U.S. egg product processing facilities <u>registered</u> with USDA FSIS are eligible to export egg products to Canada.

Fresh Fruits and Vegetables

CFIA details import requirements for <u>Leafy Green Vegetables</u> from the United States and California. Based on these requirements, product grown in California has to be handled by a certified member of the California <u>Leafy Green Products Handler Marketing Agreement</u>.

Non-Resident Importers

In January 2017, Canada published a <u>draft version</u> of the upcoming Safe Food for Canadians Regulations (SFCR); a final version of these regulations is expected to be published during the first half of 2018. The draft regulations stipulate that food importers would require a fixed place of business in Canada, with the exception of so-called "non-resident importers" situated in a country that has "a food safety system that provides at least the same level of protection as that provided" by Canada's food laws and regulations. In 2016, the U.S. Food and Drug Administration (FDA), CFIA, and Health Canada concluded a Food Safety Systems Recognition Arrangement, under which many categories of U.S. nonresident importers would be able to ship food products to Canada with an appropriate CFIA license. U.S. non-resident importers are encouraged to continue to <u>monitor SFCR developments</u> as well as <u>GAIN reports from FAS/Ottawa</u> for additional information.

Section VIII. Other Certification and Testing Requirements

Closed-faced Sandwiches

Closed-faced sandwiches must be produced under a Hazard Analysis and Critical Control Point (HACCP) plan. Information on the USDA AMS Export Verification program required for closed-faced sandwiches exported to Canada can be found <u>here</u>.

Bison

Since U.S. *bovine spongiform encephalopathy* (BSE) regulations do not apply to bison, a USDA AMS EV program is required for bison meat and products exported to Canada. The export requirements for all meat, including bison, shipments to Canada are available on the <u>USDA FSIS Export Library</u>. Additional information on the AMS EV program for bison meat and products is available <u>here</u>.

Bovine Inedible Raw Materials / Bovine Blood Plasma

Canada has specific requirements related to the removal of bovine <u>specified risk material</u> (SRM). In particular, Canada requires that bovine (cattle and bison) SRM be removed from inedible raw materials.

Information on the USDA AMS EV programs for <u>bovine inedible raw materials</u> and for <u>bovine blood</u> <u>plasma</u> exported to Canada can be found at the above links or on the <u>AMS Bovine</u>, <u>Ovine and Caprine</u> <u>EV Programs webpage</u>.

Section IX. Import Procedures

The Canada Border Services Agency (CBSA) is the first line regulatory agency at border points ensuring that all imports have appropriate documentation. However, the Canadian Food Inspection Agency (CFIA) is the lead agency for ensuring that imports comply with the acts and regulations pertaining to food and agricultural products. CFIA has the power to detain, destroy or return product that violates Canadian food regulations. Re-inspection and storage costs associated with appeals on rejections may be borne by either the exporter or the importer. The majority of U.S. food exports to Canada are cleared at the border without delay.

Commercial Goods – Canada Border Services Agency

Detailed information on importing goods into Canada, including accounting for your shipment, the release of the shipment, the reporting of the shipment, and the storing of your shipment are available at <u>this CBSA webpage</u>.

It is also possible to <u>contact CBSA directly</u>. In addition, CBSA provides a <u>contact information directory</u> broken down by region or by function.

The use of a customs broker is very common when importing goods into Canada. CBSA licenses customs brokers to carry out customs-related responsibilities on behalf of their clients. A broker's services can include:

- obtaining release of the imported goods;
- paying any duties that apply;
- obtaining, preparing, and presenting or transmitting the necessary documents or data;
- maintaining records;
- responding to any CBSA and/or Revenue Agency concerns after payment.

Clients have to pay a fee, established by the brokerage firm, for these services. CBSA provides additional information on customs brokerage services and a list of licensed customs brokers.

Commercial Goods – Canadian Food Inspection Agency (CFIA)

CFIA provides extensive information on the programs and services it offers for importing commercial foods into Canada, including a <u>Guide to Importing Food Products Commercially</u>. In addition, CFIA's <u>Automated Import Reference System (AIRS)</u> provides specific import requirements for food items by the Harmonized System (HS) classification, and detailed by place of origin (i.e., a specific U.S. state), destination in Canada (i.e., a specific province) and end use of the food item (e.g., for animal feed, for human consumption, etc.). The CFIA <u>Contact Us</u> webpage covers a range of issues, including contact information for regional offices and the National Import Service Centre.

NAFTA Certificate of Origin

The <u>NAFTA Certificate of Origin</u> is used by Canada, Mexico, and the United States to certify that goods qualify for preferential tariff treatment accorded under NAFTA and must be completed by the exporter.

Sample Products and Personal Consumption

Please consult Section VI of this report for information on importing commercial sample products and items for personal consumption.

Tariff Rate Quotas

A number of agricultural products are import controlled by Global Affairs Canada, meaning the access to the Canadian market is limited to a specified annual volume and the import conditions are strictly regulated. Canada uses a series of Tariff Rate Quotas (TRQs) negotiated under several international trade agreements to regulate imports of certain agricultural products. Import permits are issued by the Canadian government to selected importing companies (i.e., import quota holders).

The list below includes the agricultural commodities most relevant to U.S. exporters. For each of the product groups below, the linked webpage includes information on which exact HS lines are covered by the import control rules and TRQ as well as import quota holders and import quota utilization rates:

- Broiler Hatching Eggs & Chicks
- <u>Chicken & Chicken Products</u>
- Dairy Products (including Cheese)
- Eggs & Egg Products
- <u>Margarine</u>
- <u>Turkey & Turkey Products</u>

Since Canada does not control the importation of all dairy and poultry products (e.g., certain processed dairy and poultry products), exporters should confirm the market access status of their product in advance. To avoid difficulties at the border, companies may request CBSA provide an <u>Advance Ruling</u> for <u>Tariff Classification</u> to ensure proper tariff classification. An advance ruling is binding until it is revoked or amended by CBSA.

Section X. Copyright and/or Trademark Laws

The <u>Canadian Intellectual Property Office (CIPO)</u> is the federal agency responsible for registering trademarks in Canada. Registered trademarks are entered on the Trademark Register and can provide U.S. companies direct evidence of ownership. Trademark registrations are valid for 15 years in Canada and may be renewed.

To register a trademark, an application (with fee) must be sent to <u>the Office of the Registrar of</u> <u>Trademarks</u>. In most instances, a trademark must be used in Canada before it can be registered. CIPO advises that companies hire a registered trademark agent to search existing trade names and trademarks. CIPO provides a <u>list of registered trademark agents</u> broken down by region. Detailed information on <u>trademarks</u>, including on the <u>application process</u>, and a <u>trademark database</u> can be found on <u>CIPO's</u> <u>trademarks webpage</u>.

Geographical Indications

After concluding the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), the federal government amended Canada's <u>*Trademarks Act*</u> to extend protections for <u>geographical indications</u> as per the CETA provisions on <u>intellectual property</u>. There are <u>143 European</u> food product geographical indications registered under CETA, of which 124 names receive full protection, while 19 names are subject to a number of exemptions (listed under <u>Article 20.21</u>).

Appendix I. Government Regulatory Agency Contacts

Canadian Food Inspection Agency

Health Canada

Pest Management Regulatory Agency

Bureau of Chemical Safety, Health Canada

Canada Border Services Agency

Provincial Liquor Boards

Trade Controls Bureau, Global Affairs Canada