

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Canada's First-Ever Grocery Code of Conduct Comes Into Effect

**Country:** Canada

**Post:** Montreal

**Report Category:** Agriculture in the News, Agricultural Situation

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**Report Highlights:**

After more than three years of industry-led development and consultations, the Canada Grocery Code took effect on January 1, 2026. All major national grocery retailers, including Costco, Empire, Loblaw, Metro, and Walmart Canada, have formally registered with the Office of the Grocery Sector Code of Conduct (OGSCC), alongside more than 150 additional retailers and suppliers. The Code builds on work initiated in 2021, when federal, provincial, and territorial agriculture ministers called for an industry-led framework to strengthen fairness, transparency, and predictability in retailer-supplier relationships.

Canada's retail market is mature and largely consolidated, with five companies comprising over 65 percent of the total retail grocery market. The remainder of the market is represented by regional retail chains that include over 6,900 independents and 27,000 small independent convenience stores. For additional background, please consult the [Retail Foods Annual GAIN report](#) for 2025.

In November 2020, during their annual conference, [Federal-Provincial-Territorial \(FPT\) Ministers of Agriculture](#) discussed concerns raised by processors, producers, and manufacturers regarding increased retailer fees imposed on suppliers, as well as the need to support a balanced supplier-retailer relationship while maintaining a reliable food supply at affordable prices. Ministers agreed that collaborative action would be the most effective approach and mandated a working group to assess the impact of retail fees and propose potential solutions for the broader supply chain. The report of the working group can be found [here](#).

In July 2021, FPT Ministers called for an industry-led set of provisions and guidelines to improve transparency, predictability, and fair dealing in supplier-retailer relationships. Following this announcement, a multi-stakeholder Steering Committee including farmers, food processors, independent grocers, and national retail chains was established to develop an action plan supporting the creation of a formal [Grocery Industry Code of Conduct](#).

The Grocery Code establishes trade rule provisions and a [dispute resolution process](#) to support fair, predictable commercial relationships between grocery retailers and suppliers. It is intended to address key concerns such as unexpected fees, cost increases imposed without notice, and late payments, while strengthening transparency and accountability across the supply chain. The Code is voluntary and membership-based under Canada's Not-for-profit Corporations Act and is funded through annual membership fees scaled by company size and market share. While industry-led rather than government-regulated, the Steering Committee has engaged provincial authorities regarding potential funding and support, given provincial jurisdiction over the retail sector.

As of [January 1, 2026](#), the Canada Grocery Code was fully implemented, and the Office of the Grocery Sector Code of Conduct (OGSCC) launched its Dispute Resolution Management Process (DRMP). This provides a formal mechanism for resolving retailer-supplier commercial disputes. All major national grocery retailers have registered with the OGSCC, alongside more than 150 additional smaller retailers and suppliers, positioning the Office to support broad participation and consistent application of the Code's principles of fairness, transparency, and predictability. Canadian federal and provincial officials have described this as an important milestone for strengthening collaboration and improving the competitiveness and resilience of Canada's grocery supply chain.

**Attachments:**

No Attachments.