Purpose

This paper intends to continue the discussion on the modernization of food labelling that Health Canada and the Canadian Food Inspection Agency (CFIA) are undertaking. It will do the following:

- share with you key issues heard from stakeholders during CFIA’s Food Labelling Modernization (FLM) engagement activities (spring 2013 – winter 2014), and Health Canada's engagement on nutrition labelling in early 2014;

- stimulate discussion to help validate and prioritize the issues we identified;

- indicate how we are connecting and integrating with various modernization initiatives, including CFIA’s Regulatory Modernization and Inspection Modernization, as well as Health Canada’s nutrition labelling consultations and Regulatory Road Map for Health Products and Food;

- identify initiatives that could address the issues identified; and

- outline the approach we will use to engage you on the proposed options to address the issues, as part of Phase 2 of the integrated food labeling engagement, and how you can participate.

Introduction

In winter/spring 2014, as part of the Government of Canada's commitment in the Speech from the Throne 2013, Health Canada has engaged Canadian parents and consumers to improve the way nutrition information is presented on labels.

As well, from spring 2013 to early 2014, as part of the Food Labelling Modernization (FLM) initiative, the CFIA engaged with a diverse group of stakeholders, including consumers, industry and government. The goal was to identify food labelling issues that are important to you.

We continue our engagement; your contribution is important. Therefore, we invite you to continue to participate in helping modernize food labelling. This paper will help guide the discussion. It is divided into four sections:

1. **Overview**: We highlight how modernizing food labelling aligns with Government commitments and other modernization initiatives; outline our areas of focus and intended outcomes; and indicate what we have done since spring 2013 to engage you, including who we have met with during that time and how we engaged them.
2. **What we heard**: We share with you the main issues that Health Canada heard from Canadian parents and consumers about nutrition labelling, and the issues we heard from a diverse group of stakeholders in the 4 key areas of focus of CFIA’s FLM engagement (i.e. roles and responsibilities, regulations, policy and program development, and service delivery/IM/IT).

3. **Actions to respond to issues raised**: We tell you about some of the initiatives that CFIA and Health Canada are working on to begin addressing some of the issues identified.

4. **Our approach for Phase II of FLM engagement and Health Canada’s engagement on Nutrition Labelling**: We outline our integrated engagement plan and timing; highlight where you can find information on how to participate in our engagement activities; and include a series of questions to stimulate discussion with you.

1. **Overview**

In October 2013, the CFIA began reporting to the Minister of Health. While the CFIA’s food labelling responsibilities have not changed, this move will strengthen our on-going relationship with Health Canada.

The CFIA and Health Canada are working closely to modernize food labelling, including through the Food Labelling Modernization (FLM) initiative and nutrition labelling consultations.

**Modernizing Food Labelling supports Government of Canada commitments**, specifically,

– improved safety oversight,
– stronger food safety, nutrition and labelling rules and programs,
– more effective inspection,
– more information for consumers, including improvement in the way that nutrition information is presented on labels,
– modernization of food standards
– better international market opportunities for industry, and
– renewed commitment to service.

Over the next year and beyond CFIA and Health Canada will work with stakeholders to meet these Government commitments. This will be accomplished through the following modernization initiatives.

**CFIA:**

– Food Regulatory Modernization
– Inspection Modernization
– Compliance Promotion
– Outcomes-Based Approaches to Regulatory Modernization through the SFCR
– Centres of Expertise
Modernizing Food Labelling: Discussion Paper on Issues

- Online Labelling Tool
- Risk-based inspection oversight

Health Canada:
- Nutrition Labelling consultations
- Regulatory Road Map for Health Products and Food

The objective of CFIA’s Food Labelling Modernization (FLM) initiative is to develop a more modern and innovative food labelling system. The scope includes all types of food, as well as the review of CFIA food labelling frameworks and regulatory, program design and delivery systems. CFIA and Health Canada will continue to actively co-ordinate our food labelling modernization efforts.

The FLM initiative is focusing on 4 key areas below; and is aiming to achieve these outcomes.

**Table 1: Food Labelling Modernization Key Areas of Focus, with proposed Outcomes**

<table>
<thead>
<tr>
<th>Area of Focus</th>
<th>Outcome</th>
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<tbody>
<tr>
<td>Roles, Responsibilities and Partnerships</td>
<td>Stronger food safety system through improved collaboration and communication between consumers, industry, and government; and more information for consumers</td>
</tr>
<tr>
<td>Regulations</td>
<td>Stronger food safety, nutrition and labelling rules, for example, by modernizing compositional standards; improving the way that nutrition information is presented on labels; reducing regulatory red tape; and strengthening international market opportunities</td>
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<tr>
<td>Policy and Program Development</td>
<td>Improved food policies and programs that are based on risk, to promote and facilitate partnerships, and support consistency to enhance compliance</td>
</tr>
<tr>
<td>Service Delivery</td>
<td>Renewed commitment to service and improved food safety oversight through more effective inspection, better training and more modern tools</td>
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The Food Labelling Modernization initiative was launched in June 2013. The discussion paper used for the first phase of engagement is available online for your reference.

Health Canada’s current engagement is focused on Canadian parents/consumers and stakeholders, and its objective is to improve the way nutrition information is presented on labels.
How and who we engaged

CFIA FLM Engagements

Over spring 2013 to winter 2014, the CFIA engaged over 2,300 stakeholders that included consumers, industry and government on food labelling modernization. Stakeholders were engaged in different ways: online, face-to-face, webinars, as well as committee and small group meetings.

Our objective was, and continues to be, to obtain a balanced perspective from as many stakeholders as possible. You can find a breakdown of our engagement activities and who we heard from in Table 2 below and Annex 1.

Table 2: Phase I FLM Engagement Activities on Issues Identification

<table>
<thead>
<tr>
<th>Event</th>
<th>Dates</th>
<th>Who participated</th>
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<tbody>
<tr>
<td>Internal engagement sessions</td>
<td>Spring 2013</td>
<td>164 CFIA Staff</td>
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<tr>
<td>CFIA Food Safety Regulatory Forum</td>
<td>June 2013</td>
<td>200+ stakeholders overall 110 participated in FLM</td>
</tr>
<tr>
<td>FLM online consultation</td>
<td>June to September 2013</td>
<td>704 responses received (mostly from consumers)</td>
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<tr>
<td>Canadian Food Inspection Agency Transformation webinars</td>
<td>August to November 2013</td>
<td>900+ participants including internal and external stakeholders</td>
</tr>
<tr>
<td>(18 Sessions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Food Labelling / Regulatory Modernization</td>
<td>October 2013</td>
<td>327 external stakeholders 93 CFIA staff</td>
</tr>
<tr>
<td>engagement sessions (5 locations across Canada)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Targeted engagement on labelling regulations (online</td>
<td>December 30, 2013 to January 31, 2014</td>
<td>21 stakeholder responses</td>
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<tr>
<td>survey)</td>
<td></td>
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Health Canada’s Engagements on Nutrition Labelling

On January 28, 2014, the Minister of Health and Parliamentary Secretary launched the consultation process by holding roundtable discussions with Canadian parents in Ottawa. This was followed by roundtable discussions with parents and other consumers in eight cities across Canada. At the same time, an online consultation was also launched on Health Canada’s website and that closed on April 30, 2014.
Overall, there were over 2400 responses received through the online consultation and which included mostly Canadian parents and seniors.

2. What we Heard

Consultations on Food Labelling Modernization

We gathered and analyzed information from all engagement activities held over 2013-14 and identified the following main issues heard from them. These will help stimulate discussion on options that will be the focus of Phase II of our integrated engagement plan to modernize Food Labelling.

Roles and Responsibilities

- There is a general lack of understanding of the roles and responsibilities of Health Canada, CFIA and all stakeholders as it relates to consumer protection and food labelling.
  - There is lack of clarity of the roles and responsibilities of consumers, industry, and government (e.g. CFIA, Health Canada and municipal/provincial).
  - Stakeholders do not have a clear understanding or knowledge of food labelling to fulfill their roles in this area.
  - With the focus on health and safety, there appears to be not enough recognition of non-health and safety requirements.

- The way that roles and responsibilities are currently aligned often limits the involvement of stakeholders, resulting in missed opportunities for partnerships.
  - There is not enough stakeholder involvement in the development of policies and regulations.
  - There is not enough balance in how we engage stakeholders.
  - Partnerships between Health Canada, CFIA and all stakeholders could be better developed and strengthened.
  - There is lack of clarity and alignment between CFIA and Health Canada’s relationship.

Regulations

- There are a number of labelling regulations that are complex, presented in unclear language and that are spread through many different Acts.
  - Food labelling requirements spread through numerous different Acts has created issues with duplication, inconsistencies and overlap, all of which can result in increased non-compliance.
The language used for labeling requirements is often complex and unclear, and interpreted differently.

- A number of regulations do not meet current market practices, and/or industry and consumer’s needs.

  - There are many regulations and standards of identity that are outdated and pose challenges to innovation and advances in food technology for industry, and do not meet the needs and wishes of consumers.
  - There is not enough harmonization of regulations at the municipal, provincial or international levels.

Program and Policy Development

- Interpretation and enforcement of the law on “false and misleading” can be difficult.

  - Stakeholders find it difficult to interpret the Food and Drugs Act (FDA) section 5(1) and the Consumer Packaging and Labelling Act (CPLA) section 7(1), which creates difficulties in enforcement and compliance.
  - There are not enough specific regulations, tools and processes to support section 5(1) FDA and 7(1) CPLA.

- Policies do not always provide the guidance and information needed to achieve their objectives.

  - Policies can be challenging for industry to implement and for CFIA to consistently enforce.
  - Consumers do not have a good knowledge and understanding of policies.
    - For example, claims such as “local,” “natural,” “Product of Canada,” and highlighted ingredients.

- CFIA’s policy development process for food labelling can be made more proactive, timely and transparent. Stakeholders are not consulted enough.

  - There is a lack of variety in the types of stakeholders who are included in the policy development process.
  - Timelines are not realistic.
  - Stakeholders do not fully understand the policy development process; there is not enough communication and collaboration throughout the entire process.
  - There is not enough consideration in the policy development process about technological and societal factors, and/or trade and international partners.
Service Delivery

- **Guidance, information, training and tools for food labelling could be enhanced.** Similarly, labelling information on the website is in too many different places; it needs to be updated and organized better.
  - There is not enough guidance, education and support to promote compliance.
  - CFIA’s website is not user-friendly or searchable. Food labelling information is not logically organized and gaps exist in information.
  - There is lack of training for inspectors, as well as limited education for consumers and industry.
  - Existing IM/IT tools are inadequate; there are multiple, outdated systems that do not speak to one another used for capturing inspection data and reporting.

- **The inquiries process for labelling could be more efficient and timely in addressing stakeholder questions.**
  - It is unclear who to contact for more information.
  - Responses are often not consistent or timely; not shared across CFIA; and do not always address the question.

- **Enforcement of labelling rules is inconsistent, lacks transparency and is at times ineffective.**
  - Enforcement plans (including inspection priorities) often do not address gaps or make opportunities for uniformity easier.
  - Complaints resolution process is not clear, timely or transparent enough.
  - There is limited control and monitoring of imported products.

Nutrition Labelling Consultations

Early analysis of comments raised during roundtables and through online consultations include:

- In general, Canadians find the nutritional information in the Nutrition Facts table (NFe) useful;
- Serving size inconsistency, core nutrients of interest (e.g., potassium, sugar), understanding daily values (DV) and % DV (understanding and using the NFe), and use of front of pack information programs and health claims
- In addition, participants/respondents raised other food labelling issues such as
  - Labelling of allergens and food sensitivities, etc.
  - Labelling of genetically modified foods, country of origin, etc.
  - Need for more consumer education on effective use of nutrition information
3. Actions to respond to issues raised

A number of initiatives that CFIA and Health Canada have underway will begin to address some of the issues we heard from stakeholders during our engagement sessions.

Other Initiatives that Contribute to Modernizing Food Labelling:

- **Safe Food for Canadians Act**
  - The Act replaces the *Fish Inspection Act*, *Canada Agricultural Products Act*, *Meat Inspection Act*, and food provisions of the *Consumer Packaging and Labelling Act*. This includes food labelling regulations and standards of identity. The *Food and Drugs Act* will continue to be in force.
  - This will help reduce duplication. For example, currently
    - there are over 1500 sections in regulations related to labelling and composition,
    - 25% of the standards of identity are duplicated, and
    - the requirement for common name is repeated 11 times in regulations.

- **Single Food Program and Centres of Expertise**
  - CFIA will establish 16 centres of expertise (CoE), including one for labelling, to bring together knowledge from across the Agency in specific programs and/or commodities.
  - CoEs will provide expert advice to CFIA’s Operations to improve consistency and timeliness in how we answer stakeholders’ questions.
    - This will help CFIA to be more consistent in how we communicate information and requirements, as well as deliver services to stakeholders.

- **Online Labelling Tool**
  - The CFIA has developed an online tool that provides single window to easily accessible labelling information on CFIA’s Website.
  - The tool reduces food labeling information webpages from 1500 to 500.
    - This will result in more consistent, up-to-date guidance and improved compliance.

- **Improved Inspection Model**
  - CFIA is implementing a single and consistent inspection approach that will be applied to all regulated food, whether imported, exported or prepared domestically for sale across provincial borders or internationally.
- The model will help to, for example
  - clearly define roles and responsibilities of regulated parties and CFIA,
  - provide more consistent oversight function for foods regulated by CFIA, and
  - improve the use of science and inspection data to focus resources on areas of higher risk.

- **Modernization of Food Standards (Joint HC/CFIA Initiative)**

  - The 2014 budget committed to the development of a plan for the modernization of compositional standards, noting in particular required updates to the beer standard
    - This will help make food standards more aligned with current market practices and flexible to adapt to advances in science and technology.

- **Nutrition Labelling**

  - To address the 2013 Speech from the Throne commitment, Health Canada is consulting Canadian parents to improve the way nutrition information is presented on labels.
    - The outcomes of these and other consultations (including with stakeholders) will shape changes that will help Canadians to make informed choices about the food they buy for their families.

- **Health Canada’s Regulatory Road Map for Health Products and Food**

  - Health Canada has committed to modernizing its regulatory framework for foods as part of the Health Products and Food Branch Roadmap for Regulatory Modernization.

  - The Roadmap is a multi-year, phased initiative that will lead to a more efficient and transparent food regulatory system that contributes to the safety of Canadians and the benefits they gain from food. It is contemplated that a new framework for foods would involve significant revisions to Part B, D and E of the Food and Drug Regulations to “streamline and render more efficient and transparent the regulation of such things as food additives, contaminants, and the fortification of foods.”

  - Health Canada has already begun the process of modernization. New authorities under the Food and Drugs Act, i.e. marketing authorization and incorporation by reference, have been used to modernize the food additive framework and maximum residue limits for veterinary drugs in foods.
Areas we will focus on in Phase II of Engagement

For the second phase of FLM engagement, CFIA will focus on the following areas:

Roles and Responsibilities
- Clarifying roles and responsibilities of stakeholders (e.g. consumers, industry, health associations, government) in food labelling.
- Looking for opportunities to strengthen roles and partnerships of stakeholders.

Regulations
- Identifying food labelling regulations and standards of identity that should be modernized to create a stronger regulatory framework.

Policy and Program Design
- Looking for areas we can improve and where we can partner with others. Also find ways to make policies clearer and easier to understand.

Service Delivery
- Improving stakeholders’ understanding and knowledge of food labelling through training and increased awareness.
- Improving inspection strategies, complementary to improved inspection model, for misrepresentation.

Nutrition Labelling: Health Canada will consult with the broader stakeholder community, including on technical issues of nutrition labelling, and will continue to focus on developing options for potential change to nutrition labelling.

4. Our Approach for Phase II of Engagement

How we will engage you

Moving forward, Health Canada and CFIA will integrate our engagement activities.

For the Food Labelling Modernization,
- We will seek your assistance to help validate and prioritize the key issues
- We will be engaging you on options to begin responding to these issues

Once again we will consult nationally with a wide range of stakeholders to achieve a balanced perspective. Stakeholders include
- consumers and consumer groups
- industry and industry associations
- provinces and territories
Modernizing Food Labelling: Discussion Paper on Issues

- academia
- CFIA employees
- other government departments
- international partners

For Nutrition Labelling,

- We will consider what was heard from parents/consumers on key nutrition information features of food labels that help/hinder consumers in making healthier choices, and probe possible directions for improving nutrition labelling with parents/consumers and stakeholders

- We will then refine the proposed changes based on consultations and other relevant input (for example, CFIA’s FLM consultations, international considerations) and evidence

We would like to hear from as many people as possible, so we will be using various approaches to engage you:

- Healthy and Safe Food Regulatory Forum – June 2014
- Online questionnaire with discussion paper that outlines proposed options for addressing issues
- Consultation on technical issues related to nutrition labelling
- Face-to-face & webinar engagement sessions and
- Bilateral and committee meetings

Feedback on the FLM engagement will be analyzed over the winter of 2014-15 and a report of recommendations developed in the spring of 2015.

It is important to keep in mind that this modernization will take time, and that improvements to the food labelling system will happen over time. It will also require your contribution if we are to achieve success.

By sharing your views with us, we have a better understanding of the issues that are important to you, and where gaps exist. The input you share during our next round of engagement will be compiled with those of other stakeholders and will contribute to recommendations for a modern and innovative food labelling system.

For more information

We will share information through the CFIA website and the Health Canada website at each stage of this process. Visit regularly for more information on when and how you can participate.
Discussion questions

These questions will help guide our discussion with you. We encourage you to begin thinking about these questions and your answers in preparation for our engagement session with you. Your comments will help us to validate these issues and begin developing options to respond to them.

1. What are your impressions of the key issues identified through the HC and CFIA engagements? What other issues could be missing from this list shared with you?
2. Of the issues identified, which ones are the highest priority in each of the key areas?
3. What are your comments on the strategy for the upcoming engagement?
4. In what way(s) is it most important for CFIA and HC to align their labelling modernization efforts?

Opportunity to provide input

You are encouraged to provide comments and suggestions on the concepts outlined in this discussion paper. Comments can be sent to one of the following email:

CFIA-Modernisation-ACIA@inspection.gc.ca

BPIIA-BPAII@hc-sc.gc.ca

Thank you for your participation.
Annex 1: Breakdown of participants in FLM online and face-to-face consultations

Our engagement

Online questionnaire

CFIA held the online consultation during June 2013 to September 2013 to obtain feedback from all Canadians about the current food labelling system. We received responses from across Canada, including input from consumers, consumer associations, health care professionals, industry, industry associations, academia, CFIA employees and other governments (provincial and territorial), as self-identified by the respondents.

We received 704 responses to the questionnaire. These came via submissions through the consultation on the CFIA’s website, as well as letters and emails sent during the consultation period.

Face-to-face and webinar meetings

CFIA held 11 face-to-face and webinar listening sessions across the country in October and November 2013. To try to be more efficient with participants’ time, these sessions were integrated with Food Regulatory Modernization and proposed Imported Food Sector Products Regulations and Health Canada provided representation. They were done with internal and external stakeholders, and 420 people participated.

The sessions were done to
- obtain stakeholder views on issues, gaps and barriers with the current food labelling environment, and
- refine what was heard in the online consultation, in areas that fall under the CFIA’s responsibility.

Figure 1: Stakeholder types who participated in either of the four FLM lead engagement, in the issue identification phase.

Breakdown of 1309 responses received:
- consumers: 532
- industry and industry associations: 365
- government: 303
- health care professionals: 33
- consumer associations: 19
- other: 57
Figure 2: Stakeholder type who participated in the **online consultation** for issues identification.

There were 704 respondents. These people participated through the consultation on the CFIA website, or by submitting emails or letters about the consultation.

Breakdown
- consumers: 525
- industry and industry associations: 112
- health care professionals: 24
- government: 20
- consumer associations: 13
- Other: 10

Figure 3: Stakeholder type who participated in the **face to face** and consultation for issues identification.

There were 420 participants. External stakeholders participated face to face across Canada and internal stakeholder participated by webinars and face to face.

Breakdown
- Consumers and consumer associations: 12
- industry and industry associations: 235
- Government: 119
- Health care professionals: 7
- Other: 47

Figure 4: Stakeholder **organization sizes** for industry participants of FLM led engagement sessions

Breakdown
- Small businesses: 120
- medium businesses: 80
- large businesses: 135
- Unspecified: 30