HEALTHY AND SAFE FOOD REGULATORY FORUM

A stronger system to protect the health and safety of Canadians

Proposed Safe Food for Canadians Regulations
Why are we doing this?

- Globalization and industry consolidation
- Shifting consumer landscape – aging population and increasing expectations
- Evolving production and processing technologies
- Emerging pathogens and diseases
- Increased knowledge of risk and systems-based approaches
- Advances in science and technology
- Modernization initiatives of trading partners
What is CFIA Transformation?

• A comprehensive agenda to strengthen our legislative foundation, regulatory programs and inspection delivery

• CFIA’s transformation agenda is focussed on the four interconnected pillars of the Safe Food for Canadians Action Plan:
  o stronger safety rules;
  o more effective inspection;
  o commitment to service; and
  o more information for consumers.

• Transformation efforts started with food, with plant and animal following
Safe Food for Canadians Act (SFCA)

• The SFCA received Royal Assent in 2012, providing the legislative base to simplify and consolidate our regulations and make them outcome-based with common requirements across commodities

• A discussion document, entitled *A New Regulatory Framework for Federal Food Inspection*, was released in June 2013 for broad consultation; the document posed a number of policy questions for consideration. The document consultation period was open until November 30, 2013

• External consultations included:
  o Engagement of over 1200 individual external stakeholders via webinars
  o Approximately 3400 industry and consumer representatives were engaged
  o 78 responses to questions posed in June 2013
The SFCA provides the legislative base to simplify and consolidate three CFIA inspection statutes and 10 corresponding regulations...

<table>
<thead>
<tr>
<th>Meat Inspection Act (1)</th>
<th>Canada Agricultural Products Act (10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fish Inspection Act (1)</td>
<td>Applies to dairy, egg, fresh fruit and vegetables, maple and honey products marketed through import, export and interprovincial trade</td>
</tr>
<tr>
<td>Consumer Packaging and Labelling Act (1)</td>
<td></td>
</tr>
</tbody>
</table>

...with a single set of food inspection regulations that apply to all food imported, exported and prepared for inter-provincial trade.

- The *Food and Drugs Act* (FDA) continues to apply to all food sold in Canada, as do other CFIA statutes related to plant and animal health.
What We Heard

• Support for approach: Single food regulation, licensing, preventive control plans and Hazard Analysis Critical Control Point (HACCP) approach

• Support for outcome-based regulations, provided:
  o guidance documents are clear, easily accessible (ideally through searchable IM/IT system) and up-to-date; and
  o inspectors are well trained and interpretation is consistent

• Support for imported food having to meet the same regulatory requirements as domestic food
  o significant resistance to Canadian address requirement (e.g. many importers operate based in the United States)

• Disclosure of information – general support in the case of suspension, cancellation, recalls
  o concern that disclosure of inspection results and Corrective Action Requests will provide an advantage for competitors and undermine confidence in the system (consumers would not understand the nature of the non-compliance)
What We Heard

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; was a Canada/US Regulatory Cooperation Council priority);
- Outcome-based regulations reflective of CODEX could serve as the potential basis for harmonization; and
- Importance of federal/provincial/territorial regulatory harmonization.

Federal-Provincial-Territorial:

- Particular interest in harmonization with respect to traceability

Small and Medium Enterprises:

- Not as actively engaged as was hoped; some may still be unaware of CFIA requirements and may benefit from information on potential food safety hazards;
- Developing a targeted implementation strategy, possibly including a “food safety basics” campaign; and
- Some associations advocated “no exemptions” for small businesses because food risk/hazards are not dependent on size of operation.
Proposed Safe Food for Canadians Regulations

Safe Food for Canadians Regulations

Licensing and Licensing Elements

Food Safety Requirements and Elements

Preventive Control Plan (PCP)

Commodity Specific Requirements

Who would require a licence?

- Everyone importing or preparing food for export or for inter-provincial trade (with limited exceptions) would be required to have a licence 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 including processing, treating, preserving, grading, manufacturing, packaging or labelling food, or slaughtering of live animals destined for inter-provincial trade or export.

Licensing would:

- Apply to many not licensed under 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 may apply for each licence.
Licensing Elements

• Application for licence
• Issuance/renewal/amendment
• Expiry
• Grounds for suspension, suspension process, duration of suspension
• Grounds for cancellation, cancellation process
• Licensing and PCP to be the principal domestic oversight mechanisms – establishment numbers will be available to facilitate risk-based oversight and to support market access
• Non-resident importers will be permitted under the following conditions:
  o the importer has a fixed place of business in a foreign country that has a food safety inspection system recognized by the Minister
  o the food originates from that foreign country
• Would apply to all licence holders who manufacture, prepare, store, package or label a food commodity and those who grow and harvest fresh fruit and vegetables packaged for market.

• Would establish baseline food safety requirements that reflect CODEX standards, while maintaining commodity-specific requirements where necessary for food safety.

• Addresses the various hazards, along the food supply chain, that can be present in a food commodity, the equipment or the establishment and its facilities and conveyances.
Food Safety Elements

- Requirements would be imposed on specified regulated parties and would constitute baseline food safety requirements to be met during the manufacturing, preparing, storing, packaging and labelling of a food commodity, including:

1) Products and processes
2) Sanitation, pest control, sanitizers and chemical agents
3) Hygiene and competencies
4) Equipment and conveyances
5) Design, construction and maintenance
6) Receiving, transportation and storage
7) Investigation and notification, complaints procedure and recall procedure

- Regulated parties will still have to comply with all other elements of the SFCR and the *Food and Drugs Act* (FDA) and regulations.
Preventive Control Plan (PCP)

Would require regulated parties to:

- prepare, keep and maintain a system-based PCP that is consistent with HACCP, to demonstrate on-going compliance with the food safety requirements and other requirements of the SFCR & FDA (e.g., labelling, packaging);

- identify and document the potential risks and hazards associated with their food commodity or process, and consider/demonstrate by evidence how those risks and hazards will be controlled, monitored and deviations corrected; and

- focus on prevention to ensure a food commodity that is imported, exported, or conveyed from one province to another is manufactured, prepared, stored, packaged, labelled and fresh fruit and vegetables are grown and harvested in a manner that does not present a risk of contamination of that food commodity.

Micro-businesses less than $30k:

1) require a licence and must meet regulatory requirements for preventive controls, but

2) be exempt from requirement for a written preventive control plan
Exports

All those preparing food for export would be required to:

• Have a licence

• Meet the Canadian food safety requirements and foreign requirements

• Where Canadian and foreign requirements differ, foreign is acceptable

• Exporters requiring a CFIA certificate will need a licence and a full written PCP, this includes those who don’t prepare food (e.g., brokers, facilitators, internet sales, etc.)

• If no certificate is required by the CFIA, food safety requirements must be met; however, written preventive control plan is not required
Ministerial Exemptions

• Ministerial Exemptions permit flexibility with respect to non-food safety requirements of the regulations, promote innovation, and allow, in special circumstances, movement of food that doesn’t meet regulatory requirements.

• Ministerial Exemptions would continue to allow the Minister to:
  o Provide a specific exemption, for a specific food, to a person, in order to
    ▪ alleviate shortage in the domestic supply of a food
    ▪ allow test marketing of foods not currently permitted

• Ministerial Exemptions include the following elements:
  o Request for a Ministerial Exemption, using a form and paying the set fee
  o Issuance of a temporary Ministerial Exemption, with or without conditions
  o Cancellation of a Ministerial Exemption
Traceability

• Anyone who imports, exports or prepares food commodities for interprovincial trade would be required to maintain traceability records (3-years) to facilitate the tracing of the physical flow of food commodities

• Requirements for maintaining records “one step forward, one step backwards” (Codex standard), to every stage of food supply chain under federal jurisdiction

• Documents would need to be provided on request in a format which can be imported and manipulated for recall purposes by standard commercial software, or, if in paper form, legible without external aids
  
  o It would not be required that this information be kept in Canada, but that it is accessible and can be provided upon request through a desktop audit.

• The regulations would establish a minimum requirement – the CFIA would continue to encourage individual businesses and sectors to enhance their traceability and record-keeping systems beyond these minimum requirements.
Commodity Specific Requirements

- Commodity-specific requirements would need to be maintained for certain safety requirements, grades, standards of identity, container sizes, country of origin, and labelling requirements.

- Food labelling modernization may ultimately re-engineer these areas (e.g. country of origin); in the interim, current regulatory process is an opportunity to streamline our regulatory framework by:
  - Consolidating and grouping provisions of similar purpose
  - Reviewing whether some groupings would be appropriate for Incorporation by Reference, i.e., Grades Compendium
  - Moving to outcome-based statements where it makes sense
  - Referencing the *Food and Drug Regulations*, where appropriate

- *Organic Products Regulations* would be updated to cover aquaculture and to address other non-substantive issues, such as unclear wording in some places.

- *Licensing and Arbitration Regulations* and “dual licensing” would be replaced with a requirement for fruit and vegetable dealers to be members of a non-government entity to facilitate orderly trade and better align with system in the United States.
Guidance Documents & Model Systems

• The CFIA currently has over 250 food manuals (over 44,000 pages). These would be replaced to align with new legislative authorities to:
  
  o Provide sufficient information for industry to understand their obligations
  
  o Include models systems (non-binding guidance) to assist industry to comply
  
  o Develop verification procedures/tasks that form an integral part of the new CFIA Compliance Enforcement Strategy
  
  o Use a standardized format and “plain language”
  
  o Clearly link to regulatory provisions
Future Issues

• The regulations required to bring the SFCA into force have been prioritized.

• Once complete, the CFIA would turn to developing:
  - Regulations under SFCA: Disclosure of Information
  - Regulations under *Canadian Food Inspection Agency Act*: Recall Regulations and Review Mechanism
  - Regulations under *Agriculture and Agri-Food Administrative Monetary Penalties Act*: Amendments to the AMP Regulations to designate violations under the SFCA/SFCR

• Phase II – Areas being considered for future inclusions in the regulations following policy development and appropriate consultation include:
  - Distribution centres, warehouses and transporters
  - Managing unforeseen circumstances (e.g. food defence)
  - Others as identified
The coming into force proposal reflects the different levels of readiness between industry that is:

- “Registered” – already largely meet and are under active CFIA oversight
- Fresh Fruit and Vegetable – many existing requirements, but few preventive controls
- “non-registered” – smaller companies may be unaware of CFIA requirements

<table>
<thead>
<tr>
<th></th>
<th>Registered**</th>
<th>Fresh Fruit and Vegetables</th>
<th>Non-Registered**</th>
</tr>
</thead>
<tbody>
<tr>
<td>License</td>
<td>2015 (June)</td>
<td>2015 (June)</td>
<td>2016 (June)</td>
</tr>
<tr>
<td>PCP</td>
<td>2015 (June)</td>
<td>2016 (June)</td>
<td>2017 (June)</td>
</tr>
<tr>
<td></td>
<td>• Minimal changes for industry</td>
<td>• Do not have substantive food safety provisions</td>
<td>• FDA still applies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• FDA applies</td>
<td>• Licensing first enables compliance promotion</td>
</tr>
</tbody>
</table>

**Includes new export requirements for these products
Next Steps

- **Spring 2014** - Draft food inspection regulations and guidance made available.

- To accommodate as many stakeholders as possible, the comment period for the following consultations related to food safety modernization has been extended to **August 29**:  
  - A New Regulatory Framework for Federal Food Inspection: Overview of Proposed Regulations  
  - Use of Private Certification to Inform Regulatory Risk-Based Oversight  
  - Incorporation by Reference  
  - Foreign Food Safety Systems Recognition: Proposed Framework  
  - The Draft Integrated Agency Inspection Model


- **June 2015** – Final Regulations published in *Canada Gazette*, Part II.
Questions

1. To what degree is the licensing approach the right balance to oversight and enabling trade? Do you have concerns?

2. In what ways are the proposed food safety requirements appropriate? Do you have suggestions for the requirements that would improve assurance of a baseline level of food safety for all food?

3. What suggestions would you have for any of the elements contained in the framework document? If you have concerns, how might they be addressed?
Feedback

- By email: CFIA-Modernisation-ACIA@inspection.gc.ca
- By mail:
  Strategic Partnerships Division
  1400 Merivale Road, Tower 1
  Floor 6, Suite 218
  Ottawa, ON K1A 0Y9
  Canada
  Attn: Linda Webster
- By fax: 613-773-5606
- To stay connected with the CFIA, sign up to our Listserv (www.inspection.gc.ca/english/util/listserv/listserve.shtml)