



Codex Point of Contact for Canada
Food Directorate, Health Canada
Room C416
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April 16, 2021

Submitted Via Email

To Whom It May Concern:

RE: *CL 2021/16/OCS-FICS: Request for Comments, at Step 3, on the Proposed Draft Guidance on Paperless use of electronic certificates - (Revision to CXG 38-2001)*

On behalf of the Canadian Produce Marketing Association, it is my pleasure to provide comments to inform the Government of Canada's contribution to the Codex consideration of *the Proposed Draft Guidance on Paperless use of electronic certificates*.

General Comments

CPMA is pleased that innovation has been a key priority for the Government of Canada. The full scope of the impact of COVID-19 on the fresh produce industry will likely not be known for months to come, but planning for recovery must include looking at how the business environment may change permanently. A strong and growing Canadian produce industry will depend on our ability to leverage innovation, including the growth of e-commerce that could have significant implications for growers and suppliers across the country.

First and foremost, it is imperative that all food sold to consumers in Canada must follow all regulatory requirements, including labelling, import and food safety requirements – to ensure both clarity and safety for the consumer, as well as a level playing field for all food sellers. To this end, the Government of Canada should review the existing regulatory language to determine if additional wording is necessary to make clear that requirements apply to all food sold to consumers, and to ensure that Canadian regulations can accommodate the paperless use of electronic certificates.

In addition, to provide regulatory clarity to industry, the Canadian delegation must work to ensure that any Codex Standards under consideration are consistent with requirements under the Canadian government's recent *Safe Food for Canadians Act, Safe Food for Canadians Regulations*, and recent changes to the *Food and Drug Regulations* – and that any changes will not result in further compliance costs for Canada's fresh produce industry.

CPMA emphasizes that the Government's digitalization efforts should use a cross-government lens and take a whole-of-government approach to reduce burden for industry. The Government's Regulatory

Roadmap for Agri-Food and Aquaculture identified as an action item the digitalization of the Canadian Food Inspection Agency (CFIA) by setting up an online system for issuing export certificates (being done through MyCFIA). This is a welcome initiative with potential to have significant benefit for the fresh produce sector, particularly given the time-sensitive realities of our supply chain.

Moving out of the COVID-19 pandemic, the implementation of export certificate services through the MyCFIA portal can help promote trade and investment with export markets and can support Canada in reaching its agri-food export target. Indeed, the development of this type of online import and/or export portal, including CBSA's Single Window Initiative and the CBSA Assessment and Revenue Management (CARM) portal, have enormous potential to streamline processes for both industry and government. However, to maximize the potential benefits and minimize any burden to industry, the Government of Canada should take a whole-of-government approach to ensure consistency and integration across and between these systems wherever possible and avoid implementing systems that require industry to submit the same information multiple times or in multiple portals. For the fresh produce industry, which accounts for a very high volume of daily and/or weekly food imports, efforts to mitigate administrative burden in the implementation of paperless certificate processes are of utmost importance.

CPMA also notes that Government of Canada systems have regularly experienced systems outages, which can cause confusion and delays in the flow of trade. CPMA emphasizes that every effort should be made to ensure that the government has the necessary infrastructure in place to accommodate the data storage and management capabilities required in the implementation and ongoing maintenance of its digital systems, as well as any new requirements for digital documentation. In addition, in planning the roll-out of any digital portal or electronic certificate system, the Government of Canada must allocate sufficient time for thorough testing, including by industry, and should develop a phased-in approach to allow for time to assess and address any challenges prior to full implementation. In the event of an outage, a clear contingency plan, accompanied by timely and regular communication to industry, is required to ensure the smooth flow of trade.

At the same time, the effective oversight and enforcement of requirements for food products using electronic certificates will require regular analysis and audits on the part of government agencies. The Government of Canada should therefore ensure that the establishment and ongoing operation of these oversight protocols are accounted for in planning of digitalization efforts. CPMA also emphasizes that the effective implementation of such regulatory and operational changes must be accompanied by clear and comprehensive training for all government officials tasked with inspection, review or auditing activities to avoid confusion or inconsistency in enforcement, and unnecessary delays for industry.

Finally, international standardization between government bodies is critical to the success of Canadian industry, particularly to the fresh produce sector, which is one of the most global supply chains in the world. In any efforts to harmonize and standardize between governments, it is essential that government also considers the existing international standardization integrated in business. Where business has developed international/global standards – standards tested by commercial application – government must ensure that, wherever possible, the standards it chooses to implement in services and solutions reflect those business-driven and tested standards. To achieve this, as government considers new solutions, a key piece of that effort should be early engagement with business stakeholders to understand the standards which already exist and have been implemented across international supply chains.

CPMA supports the Government's participation in Codex Alimentarius and other international fora, such as the International Plant Protection Convention, that create guidance and standards to support

regulations. We recognize the importance of this work in ensuring that Canada is a leader in implementing global best practices and standards. It is therefore imperative that the Government of Canada prioritizes the implementation of the agreed-to outcomes of these bodies, rather than implementing regulation out of line with the international standard, which creates confusion and puts Canadian industry at a competitive disadvantage.

Comments – Recommendations in Paragraphs 17-25

The complexities and unique considerations of the fresh produce sector, related to the global integration as well as time-sensitivity across the supply chain, can often mean that a one-size-fits-all regulatory approach will be ineffective, inefficient and impose undue burden on industry, with little benefit to the Canadian Government or indeed the Canadian public. Indeed, the paperless exchange of certificates may not be a viable option for all growers/suppliers in all countries with whom we trade.

CPMA is therefore supportive of the recommendation made in Paragraph 18 that: “The general guidance is only describing already existing international paperless exchange (use) of official certificates without interfering in the continuous use of the paper certificate and its content and avoiding introduction of concepts that may hamper the use of emerging technologies for full paperless exchange of the generic model official certificate”.

Comments – Proposed Changes in Appendix I

CPMA is supportive of the proposed amendments under *Appendix I, Section 3 – Definitions*, which provide greater clarity in relation to electronic signatures and the paperless exchange of information and electronic certificates. We would recommend that the definition of “Electronic certificate” proposed in *Annex II – Paperless Exchange of Official Certificates* also be included here for consistency throughout the guidance document.

CPMA is supportive of the proposed addition under *Section 8, Principle E, paragraph 22*, to clarify that “To the extent practicable, a standard format should be employed for official certificates. Certificates should, in a case a Single Window system is in use by the competent authority, also enable paperless exchange by submission and/or transmission through the involved system.” As noted above, ensuring interoperability and cross-government integration, and avoiding duplication in requirements for information submission, are essential to realizing the benefits of digitalization and reducing administrative burden for industry. We are also pleased to see these principles reflected in the proposed *Annex II*.

CPMA is supportive of the proposed additions under *Section 8, Principle F, paragraph 29*, and under *Principle G, paragraphs 41-44*, which outline considerations for appropriate controls, infrastructure and capability for exporting and importing countries in relation to paperless exchange of certificates. We reiterate that the Government of Canada must ensure that the establishment and ongoing operation of the necessary infrastructure to facilitate oversight protocols are accounted for in planning of digitalization efforts. Wherever possible, efforts to promote the harmonization of standards and the mutual recognition of plant protection and food safety systems with our trading partners can help remove unnecessary and costly duplication within both the international supply chain and government systems.

CPMA is appreciative of the opportunity to share our comments to inform Canada’s position on this Codex *Proposed Draft Guidance on Paperless use of electronic certificates*. Where possible, Canadian negotiators

should engage with the fresh fruit and vegetable industry as they determine proposed models and implementation plans for the key areas noted in this submission.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Lemaire', followed by a horizontal line extending to the right.

Ron Lemaire
President
Canadian Produce Marketing Association

About CPMA

Based in Ottawa, the Canadian Produce Marketing Association (CPMA) is a not-for-profit organization representing companies active in the marketing of fresh fruit and vegetables in Canada, from the farm gate to the dinner plate, spanning the entire produce industry. The produce industry generates over \$17 billion annually in economic activity throughout the supply chain and supports over 249,000 jobs across Canada. The Association's members include major growers, shippers, packers and marketers; importers and exporters; transportation and logistics firms; brokers, distributors and wholesalers; retailers and foodservice distributors; and fresh cut operators and processors. Founded in 1925, CPMA is today proud to represent over 800 domestic and international members who are responsible for 90% of fresh fruit and vegetable sales in Canada.