

IMPORTING AND EXPORTING

**FIVE
QUESTIONS
EVERY
CANADIAN
FOOD
IMPORTER/
EXPORTER
SHOULD ASK**

Importing and Exporting

Five questions every Canadian food importers/exporters should ask

The Canadian Food Inspection Agency's (CFIA) Safe Food for Canadians Act was passed in 2012, paving the way for a stronger and more modern food safety system. The modernization Act is the foundation that allows the CFIA to implement consistent practices for all food commodities – from coffee and baked goods to baby formula – many not previously subject to CFIA registration and licensing.

As the CFIA continues to modernize its framework, it's also implementing new regulations. This means a series of new requirements for companies that import or export food commodities as well as companies that prepare food commodities for international or interprovincial trade. Mandatory federal licenses, a Preventative Food Safety Control Plan that includes recall plans, record keeping requirements, and a new inspection model are among the proposed requirements.

To ensure you're prepared, we've developed five questions you need to ask yourself to ensure your food imports into (and exports from) Canada are compliant.

With new food inspection regulations coming into effect, now is the time to ask:
Is your business ready?

1 Does your company have a Food Safety Control Plan?

Under CFIA's new food inspection regulations, every company that deals with food and food products will be required to have a detailed Preventative Food Safety Control Plan (PFSCP). Your written plan must document all aspects of your food handling operation, including your facilities, equipment, employee training, sanitation and pest



control, transportation, storage and more. You must also demonstrate your plan's effectiveness and scalability before implementation.

Livingston recommends you engage the expertise of a partner, one experienced in food safety and handling operations, to help you draft and implement your plan.

2 How will your company manage its new licensing requirements?

Licensing will be a mandatory requirement under the Safe Food for Canadians Act. Companies subject to the new regulations will be required to register and apply for licenses through a CFIA web portal, and must renew every two years.

Details on vendor name, product description and SKU# must all be noted within the portal at time of registration.

Every importer's requirements will be different. Your customs provider should be able to help you determine the most effective way to manage your licenses.

3 Do you have a recall/traceability plan in place?

Preventative measures are a key component of CFIA's modernization and food safety efforts. Even companies that aren't the licensed importer must have procedures in place to track and trace any food product. It'll be up to you to demonstrate that your documents detail any and all product ingredients and that your books and records contain a full trail of your goods. Those records can be requested by CFIA



and must be provided within 24 hours if it is determined that a food hazard exists. Recall records should reflect “one step forward and one step back” standards to ensure that all information is accurately captured.

Your customs provider can help you develop your plan. Livingston recommends that, once you have your recall plan in place, you work through different scenarios to ensure you can account for all products at all times, tracking ingredients, imports, exports and domestic sales.

4 **Have you measured and documented your compliance history?**

Your company’s compliance history will be an important factor in demonstrating your ability to meet all of CFIA’s new requirements. CFIA, supported by the Canada Border Services Agency (CBSA), will want to ensure that all food importers are exercising due diligence and reasonable care in managing their businesses; CFIA will be conducting risk-based audits to ensure companies can demonstrate appropriate levels of compliance. If you’ve ever been audited by CFIA or cited for non-compliance, it’s imperative that you take and implement corrective action where indicated, and that you document your processes fully.

Work with your customs provider to conduct a self-audit to assess your own compliance and ensure you’re ready for a CFIA audit if necessary.

5 **Do you regularly export food products?**

Under new regulations, CFIA will require that exports affected by the new standards also meet the standards of the importing country – and Canadian standards may not align with all other countries (for example, Canada and U.S. operate under different standards).

Livingston recommends that you take a look at your export processes today, and determine how easily you’ll be able to adapt to new regulations while maintaining compliance.

Understanding the costs of non-compliance

As part of the modernization rollout, CFIA will be introducing new contraventions based on level of risk and non-compliance, including monetary penalties up to a maximum of \$25,000 per infraction. Companies will need to ensure that they understand their level of risk and potential exposure under the Administrative Monetary Penalty (AMP) system.

Work with the experts

To ensure your continued compliance with CFIA regulations – and to ensure your supply chain continues to run smoothly – now is the time to begin planning.

Livingston International has extensive experience working with CFIA and food importers of all sizes. We can help you assess your readiness and begin developing your food safety and recall plans. Contact us today to learn more.

Contact Livingston

Have questions or need help with your shipments? Contact your account executive, write to us at: simplify@livingstonintl.com or give us a call at **1-800-837-1063**

