

EXPORT TO CANADA NEWS

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Message from Executive Director

Myths and Realities of Canadian Regulatory Requirements

Navigating the landscape of Canadian regulatory requirements in the Agrofoodsector, especially regarding certifications and prevention control plans, can be daunting for businesses. Misconceptions often arise, leading to confusion and potential non-compliance. For those looking to export their goods to Canada, understanding the myths and realities of these requirements is crucial. To better illustrate what we mean, let's review a couple of these through specific examples.

Myth 1: All Certifications are Mandatory for Every Business: A common misconception is that all businesses must obtain a great number of certifications to gain access to the Canadian market. The necessity of certifications depends largely on the industry and the specific products or services offered. For instance, the Canadian Food Inspection Agency (CFIA) mandates that food businesses have certain certifications to ensure food safety, but these may not apply to other sectors such as handicrafts or apparel. Businesses must identify which certifications are relevant to their specific sector to avoid unnecessary efforts.

Reality: Tailored Certification Requirements: Canadian regulatory bodies, such as the CFIA, provide clear guidelines on which certifications are required based on the nature of the business. Companies should consult these guidelines or seek advice to determine their exact certification needs.

Myth 2: Prevention Control Plans (PCPs) are Only for Large Corporations: This is simply not true. In fact, PCPs are crucial for businesses of all sizes, particularly those involved in food production, importation, or distribution. These plans are designed to identify potential hazards and outline measures to prevent or control these risks, ensuring the safety and quality of products.

Reality: The Importance of PCPs: The <u>Safe Food</u> for <u>Canadians Regulations</u> (SFCR) require that most food businesses develop, implement, and maintain PCPs. This includes small and mediumsized enterprises (SMEs) that play a significant role in the food supply chain. Having a robust PCP not only ensures compliance but also enhances a business's credibility and consumer trust by demonstrating a commitment to food safety.

To summarize, understanding the myths and realities of Canadian regulatory requirements is vital for businesses to ensure that your goods are accepted into the country while being compliant and avoiding penalties. Certifications and prevention control plans should be tailored to specific industries and are critical for businesses of all sizes, including SMEs.



Steve Tipman Executive Director TFO Canada



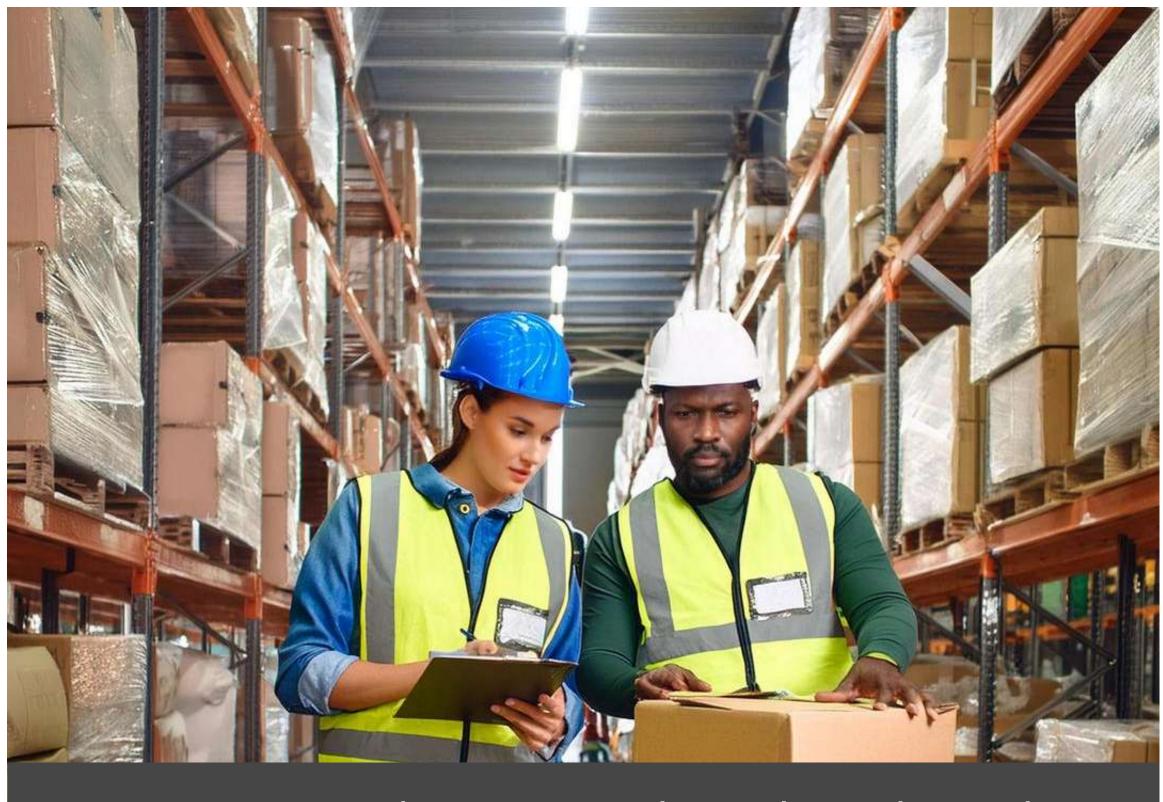
"You need to understand what certifications are required, before exporting your products to Canada. This will not only ensure efficient entry into the country, but will increase confidence from your importer and ultimately the Canadian consumer"

Exporting to Canada: Understanding Canadian Preventive Control Plan (PCP) Requirements

By Matthew Bell, Policy and Program Leader, CFIA/ACIA

Most foods exported to Canada for commercial sale to Canadians must meet the requirements of the <u>Safe Food for Canadians Act</u> (SFCA) and its <u>Regulations</u> (SFCR). Under the SFCR, foods exported to Canada must be imported by a business that holds a Safe Food for Canadians (SFC) licence.

You do not need to hold an SFC licence to export food to Canada. However, you will have to work with a licensed importer who will be responsible for ensuring the foods sent to Canada meet all applicable Canadian requirements. For most Canadian importers, this includes maintaining a written Preventive Control Plan (PCP).



A PCP is a document that describes the microbiological, physical and chemical hazards associated with a food and how those hazards are being controlled.

Vital to an importer's PCP is an understanding and demonstration that the food(s) being exported to Canada were manufactured, prepared, stored, packaged and labelled under conditions that provide at least the same level of protection as those in Canada.

Canadian importers have flexibility in how they choose to demonstrate that their supplier has appropriate food safety practices in place. For example, importers may:

- request to conduct on-site audits of their supplier
- select suppliers who are certified to internationally recognized third-party evaluations
- select suppliers who are in a country that has a food safety recognition arrangement with Canada

Regardless of which option(s) an importer chooses, suppliers of food exported to Canada must be prepared to provide Canadian importers with documentation that demonstrates that the business(es) that manufactured, prepared, stored, packaged and labelled the food have:

- identified and analyzed the hazards associated with the food;
- implemented control measures to address the hazards;
- identified critical control points; and
- taken steps to verify that their control measures are effective.

For example, suppliers who are subject to internationally recognized third-party evaluations should be prepared to provide proof that there is an oversight program in place that includes the above criteria and evidence that the supplier is in good standing with the certification body.

Additionally, suppliers are encouraged to work with importers in Canada to ensure foods that will be exported to Canada meet Canadian packaging requirements as well as any applicable requirements for <u>labelling</u>, <u>standards</u> and <u>grades</u>. Compliance with Canadian requirements under the SFCR is dependent on strong collaboration between importers in Canada and their foreign suppliers. These relationships help ensure Canadian consumers continue to enjoy foods from countries all around the world that meet Canada's strong food safety requirements.

Visit CFIA's website – <u>Importing Food, Plants and Animals</u> - to learn more about Canadian requirements and help ensure you are prepared to support importers in meeting those requirements.

Avoid Costly Import Recalls: Have a Preventive Control Plan

By Yvon Bertrand, TFO Canada Associate

As an exporter, the food you export will need to meet Canadian requirements under the Safe Food for Canadians Act (SFCA) and Regulations (SFCR). All Canadian importers must be licensed and will be responsible for creating a Preventive Control Plan (PCP) which will outline their import plan and their preventive control plan including their procedure for recalls. It is the importer's responsibility to ensure the food imported is safe and that it meets all Canadian requirements (safety, quality, labelling and specifications).

Under subsection 89(4) of the SFCR, your Canadian importer will require from each foreign supplier:

- preventive controls in place that are controlling, reducing or eliminating the food hazards and including appropriate buildings and processing equipment, cleaning and sanitation, rodent control, transport and conveyances, staff training and personal hygiene, allergen control; and
- a food safety system in place that is based on the principles of the <u>Codex Alimentarius General</u> <u>Principles of Food Hygiene CAC/RCP 1-1969</u> with description of hazards, the identification of critical control points and the appropriate monitoring.

Apart from their SFCA license, the majority of Canadian food importers and processors are also certified under <u>Global Food Safety initiative</u> (GFSI) under one of the following scheme SQF, BRCGS, FSSC 22000, IFS Food, and Global G.A.P. One of the requirements is to ensure that the approved supplier program is based on past performance of

a supplier and the risk level of the ingredients or raw materials. The importer will need your exporter's evidence and records to identify:

- 1. Summary of the food safety controls implemented by the approved supplier.
- 2. Methods used by the importer to grant approved supplier status.
- 3. Methods and frequency of monitoring approved suppliers.

Canadian importers have several options to select from and they may (a) submit a questionnaire to each exporter to identify your control in place, (b) decide to visit and perform an on-site audit of your facility, and/or (c) require a 3rd party certification. You, as an exporter of food to Canada, must have procedures and records in place to describe and monitor all activities in your facility whether you are producing fresh or processed products. The old phrase is till very valid in this case: (a) Say what you do, (b) Do what you say and (c) Prove it.



Your preventive control plan (PCP) must demonstrate that, as an exporter, you understand the risks or hazards (biological, chemical or physical) associated with the food you export, and you are describing the measures you are taking to control those risks. As an exporter, you should be expected to meet the following:

- Letter of continuing guarantee accompanying each product supplied.
- Certificate of analysis regularly or for high-risk products.
- the notification of changes to the specifications of your products or ingredients you supply.
- what you are required to do when an issue of your product is identified. It should also include documents showing that you took immediate corrective actions to address the issue and prevent its re-occurrence.

HACCP (Hazard Analysis Critical Control Point) or GFSI (Global Food Safety Initiative) certificates are not mandatory for most commodities (except for some animal products like meat) as long as, an exporter, you can demonstrate that you have the necessary programs in place to control the food hazards.

Featured Trade Support Institution Partners in the 2nd quarter of 2024































Program Updates

TFO Canada - in collaboration with our Trade Support Institutions (TSIs) and partners - has been hard at work in the second quarter of 2024, helping small and medium-sized enterprises from Africa, Asia, the Middle East, and Latin America to achieve their export goals. Get ready to dive into the exciting events unfolding and discover what's in store for the future.

Happy reading!



TFO Canada's mission is to empower SMEs and TSIs in developing countries, equipping them with the knowledge and skills they need to succeed in international trade. With a focus on promoting gender equality and social inclusion, as well as on tackling the challenges presented by climate change and environmental considerations, TFO Canada works in 23 countries across Latin America and the Caribbean, the Middle East, Africa and Asia, helping to transform lives and communities, one step at a time.

Our team in action:

Export Launchpad Jordan: Training of Trainers in Jordan in May 2024

Launched on May 7, 2024, Export Launchpad Jordan (ELJ) aims to empower Jordanian SMEs to of international take advantage trade opportunities and contribute to sustainable development and economic employment generation. It is funded by the International Islamic Trade Finance Corporation (ITFC) of the Islamic Development Bank (IsDB) group under the Aid for Trade for Arab States (AfTIAS) 2.0 program as well as Global Affairs Canada (GAC) through its Women in Trade for Inclusive and Sustainable Growth (WIT)



project. This initiative is implemented in partnership with the Jordan Enterprise Development Corporation (JEDCO) and focuses on providing trade training and export-focused support services to SMEs and potential exporters in Jordan. The targeted sectors are the Dead Sea cosmetic and processed foods sectors, empowering women-owned and/or -led SMEs to take advantage of the Canada-Jordan Free Trade Agreement and other Canadian and international market opportunities.

The first project activity was developing and delivering an export training program to key partner organization representatives, conducted from May 12-16. This Training of Trainers (TOT) focused on the Canadian market.



27Representatives16 Women

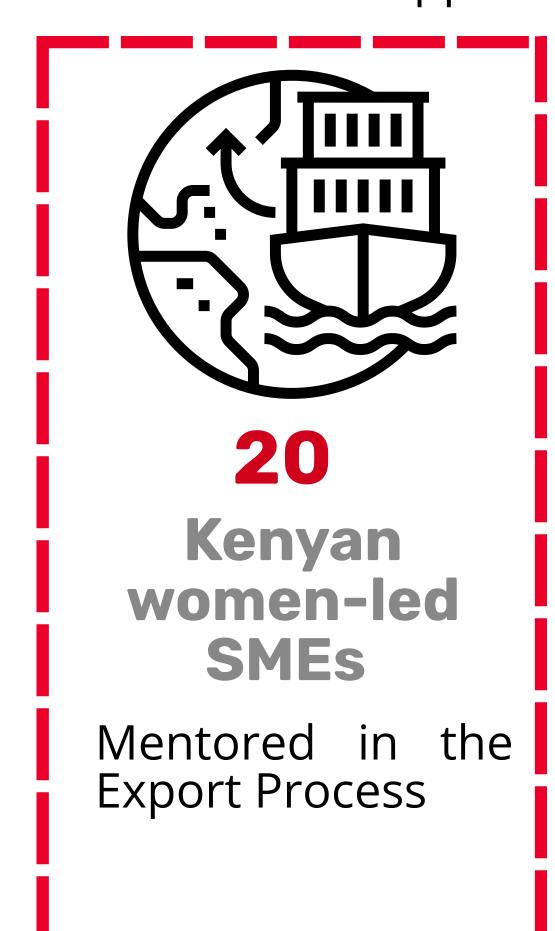
From Trade Support Institutions completed the training

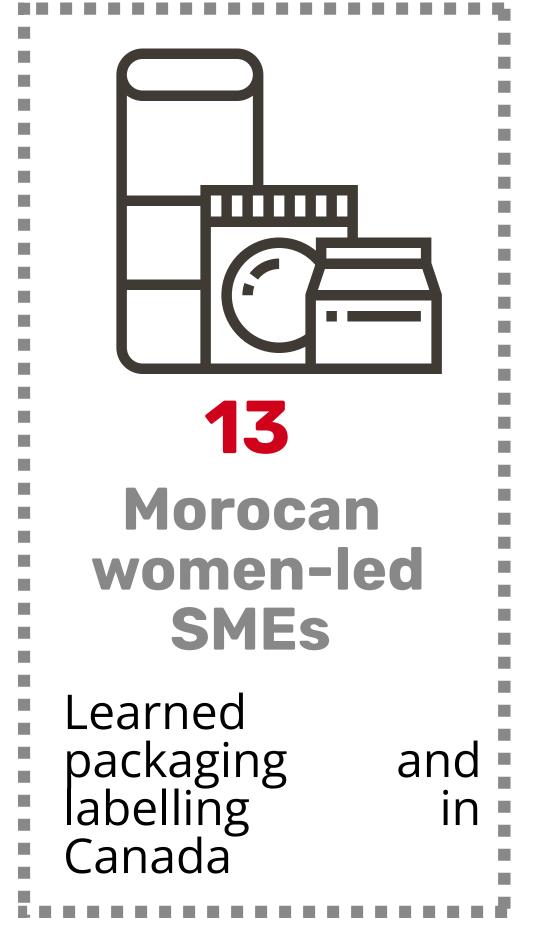
Webinars on Knowledge of Packaging and Labelling for Moroccan SMEs in April, 2024

TFO Canada, in partnership with the Moroccan Exporters Association (ASMEX), organized a series of webinars on packaging and labelling in the Canadian processed food sector from April 2 - 4 to further support SMEs that participated at the Salon International de l'alimentation (SIAL) Canada 2023 trade show and at the buyer mission to Casablanca in October 2023. 50 SMES (26% women-led companies) participated in the webinars. These events also presentation from a Canadian buyer and distributor who provided information about the buyer's expectations and requirements in terms of packaging and labelling,

Lead Exporter Program Launch: Kenya, April, 2024

In early April, the Lead Exporter Program was launched. TFO Canada partnered with the African Women's Entrepreneurship Program (AWEP) Kenya chapter to implement this initiative, which focuses on mentoring and coaching the most successful exporters within Kenya. The aim is to assist SMEs starting to export by guiding them through the export process and helping them navigate potential challenges. This effort will target at least 20 women-led SMEs in agri-foods from Kenya and will elevate trade opportunities for women.





Looking for the Right Match in the Apparel Sector: Pre-Mission to Vietnam, June 2024

The pre-mission to Vietnam in June was an opportunity to meet face-to-face with 7 SMEs (6 women-led) from the Vietnamese apparel sector to assess their export readiness and production capabilities, review their products and advise them on strategies to enter the Canadian market in advance of the visit of Canadian and international buyers planned for Oct-Nov 2024.

A series of one-o-one in-person consultation/coaching sessions was conducted with each of the 7 selected SMEs. Many of the companies showed interest in further developing their capacities on compliance and regulation for apparel destined for export to Canada.



7 Vietnamese SMEs 6 women-led apparel sector

One-o-one consultation/coaching: export readiness and production capabilities

Market Access Activities

TFO Canada provides comprehensive support to SMEs in developing countries seeking to enter new markets. By leveraging expertise in industry research, entry strategies, trade promotion events, and networking opportunities, we support SMEs navigating the complexities of international trade and maximize their growth potential.

TFO Canada and Partners Make their Mark at SIAL Montreal in May 2024

For the first time in its participation at SIAL Canada, TFO Canada had a strong presence at the show by hosting four delegations simultaneously with a corporate presence. Supporting the *Women in Trade for a Sustainable and Inclusive Growth* project and its Women Exporter Fund, TFO Canada accompanied the Indonesian and African delegations.

In collaboration with the Directorate General of National Export Development (DGNED), the Indonesian Trade Promotion Center (ITPC), and the Trade Attache Office of the Indonesian Embassy in Canada, the 7 Indonesian SMEs (5 women-owned/led SMEs) showcased their products and had an excellent opportunity to establish connections with potential Canadian buyers and to gain valuable insights into Canadian market needs, resulting in 58 B2B meetings

women-led SMEs from Kenya, Benin, and Burkina Faso exhibited in TFO Canada's African Pavilion thanks to the support of the Chambers of Commerce of Benin and Burkina Faso and the Kenyan Export Promotion & Branding Agency (KEPROBA). Under the Women Exporter Fund program, TFO Canada co-funded the participation of three more delegations which allowed the participation of 39 women-led SMEs from Nigeria, led by The Abuja Chamber of Commerce and Industry (ACCI), from Uganda, led by the African Women Agribusiness Network (AWAN), and from Madagascar, led by the Canada-Madagascar Cooperation Chamber of Commerce and (CanCham). During the three-day trade show, the 1 SMEs from the WIT delegation had a total **220** potential business contacts of made.

Prior to their participation in SIAL, the SMEs participated in a webinar hosted by TFO Canada on Nutrition Labelling in Canada, and in a market

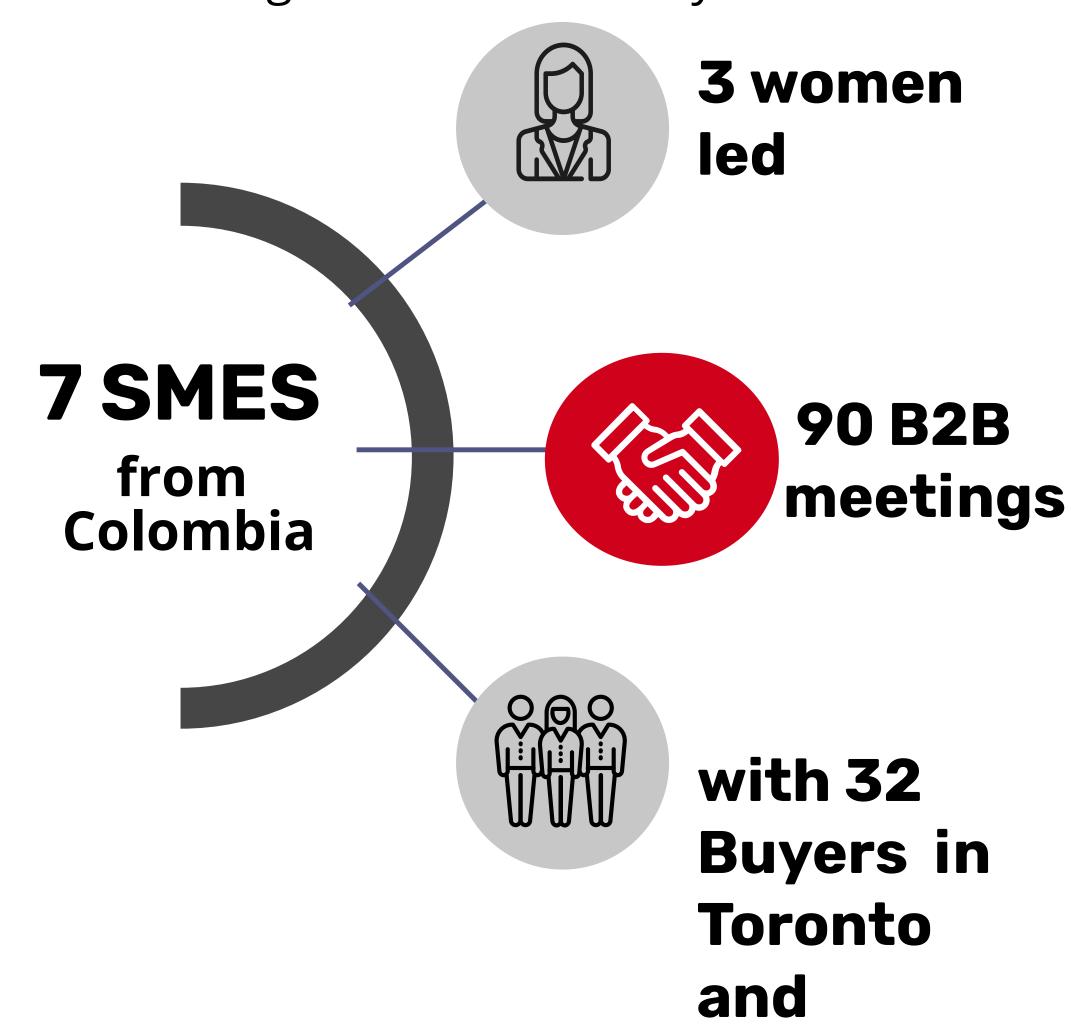
familiarization tour to better understand the Canadian market and to witness what happens to products once they are cleared to enter Canada.



African Delegation at SIAL Canada, Montreal, May 2024.

Colombian Exporters Make Waves in Toronto and Montreal: June, 2024

From June 10-14, 2024, TFO Canada and ProColombia teamed up to organize an Exporters' Mission to Toronto and Montreal, an opportunity to continue establishing and/or reinforcing commercial linkages with Canadian buyers identified by the SMEs from past market activities (SIAL 2022 and the Global Produce and Floral Show - GPFS 2023). The SMEs had an opportunity to participated in a market familiarization tour that provided an overview of the variety of logistic resources available in Canada for exporters. At the end of the mission, 90 B2B meetings were successfully facilitated.



Montreal

Buyers Mission to East Africa in Agrifoods, March 2024

In March 2024, eight Canadian and European buyers visited Uganda, Kenya and Ethiopia to connect with SMEs in the Agrifood sector. The mission successfully engaged the participation of

46 SMEs (41 women-led)

and partners, including the Uganda Export Promotion Board (UEPB), African Women Agribusiness Network Uganda (AWAN Uganda), Kenya Export Promotion and Branding Agency (KEPROBA), and the Centre for Accelerated Women's Economic Empowerment in Ethiopia, resulting in SMEs being matched with buyers through 320 B2B meetings in each country. Potential orders are expected to materialize soon.



Canadian and international buyers delegation at Ethiopia. March 2024

Making Trade Work for Women in Sub-Saharan Africa: Project Closure: in Madagascar

TFO Canada, in close collaboration with its local trade support institutions, marked the culmination of the *Making Trade Work for Women in Sub-Saharan Africa: Lesotho, Uganda, Madagascar, and Ethiopia (LUME)* project on May 23, 2024. Over the course of five years, the LUME project, funded by Global Affairs Canada, has

has tirelessly worked towards strengthening the economic empowerment of women entrepreneurs in Sub-Saharan Africa. The project has been a beacon of inclusive growth, demonstrating the potential of inclusive markets, entrepreneurship and the importance of building competitive, innovative, and environmentally sustainable enterprises for women-owned and led SMEs.



High authorities, representatives of the chambers and Trade Support Institutions at the project closing ceremony in Madagascar. May 23, 2024

Among the notable achievements of the LUME project in Madagascar are the training and technical assistance provided to enhance exports of specialty apparel, textiles, fashion accessories and home décor products to Canada and other foreign markets. A total of 43 SMEs, with 41 women-owned or led, underwent training in export readiness. Additionally, 18 staff members, including 12 women, received Training of Trainers (ToT) training, while eight women attended Management of Fashion Trade (MFT) sessions. Furthermore, six women benefited from coaching and mentorship initiatives.

During the closing event in Madagascar, Anne Babcock, Advisor at Global Affairs Canada, shared with the audience the tremendous achievements of the project, highlighting the live testimonials and products presented by project beneficiaries.

Annes Perfections – a Commitment to Innovation, Consumer Wellness and Quality

For more than four decades, TFO Canada has been assisting businesses in navigating complex international trade regulations, identifying potential buyers and suppliers and establishing effective partnerships by providing personalized guidance, training, and resources.

One such entrepreneur who has benefited from TFO Canada's services is Anne Sarfo, the founder of Annes Perfections. Annes Perfections is an indigenous Ghanaian business established in 2011 as a health and beauty company which, since 2019, has transitioned into a full food processing company. The company specializes in producing nut- and cereal-based products, including smooth and creamy peanut butter, peanut chocolate spread, and breakfast cereals fortified with soybeans.

Licensed by the Ghana Food and Drugs Authority, Annes Perfections is a brand that stands out for its unwavering commitment to wholesome food. The brand uses carefully selected ingredients to produce safe, quality, nutritious and healthy foods with no preservatives. This results in a range of products that are not only delicious but also cater to the growing demand for wholesome, unadulterated food.

The relationship between Annes Perfection and TFO Canada goes back a long way as Anne's mentor, Mrs. Agnes Gifty Adjei-Sam, Director, Marketing of Ghana Export Promotion Authority who was trained and certified under the Export Marketing Mentoring Training of Trainers program under the International Trade Center (ITC) Project in 2019. In Anne's words, "Agnes encouraged me to register with the Ghana Export Promotion Authority (GEPA) and TFOCanada. Following her advice was one of the best decisions for Annes Perfections...Agnes is a pillar of support and a source of inspiration... She serves on the Annes Perfections board, bringing her wealth of knowledge and experience to our team. She indeed empowers women, especially young entrepreneurs."

Annes Perfections participated in a TFO Canada training program organized in collaboration with the Ghana Export Promotion Authority. The training was aimed at enhancing the SMEs' export readiness and focused on gender, environment and climate change, and corporate social responsibility considerations. According to Anne, "These initiatives were already being implemented by the brand, but the training deepened our understanding of best practices. We gained access to new resources and networks, which helped us incorporate fresh perspectives into our CSR initiatives, helping us align more closely with the United Nations Sustainable Development Goals (SDGs)."

Anne emphasizes the importance of extensive research, preparation and networking before venturing into new markets. "We participated in trade missions such as the International Food and Drinks Event in London." The brand worked with TFO Canada and GEPA to gain more insight into the preparations for international markets. They were assigned a coach who guided them on what to do at such events. "Knowing we were going to sell internationally from the onset of the business, our products were labelled in English and French," Anne says, adding that "We ensured that we maintained high production standards and quality while gathering all the necessary materials to be used during the trade mission. We focused on refining our product presentation skills by highlighting key features and benefits and effectively communicating our unique selling points to potential buyers. We also ensured that our marketing materials accurately reflected the quality and value of our products."



Anne Sarfo, CEO and owner of Annes Perfection, at SIAL Canada, May 2024

Finally, Annes Perfections developed a follow-up strategy to capitalize on the connections made during the trade missions by promptly reaching out to visitors who expressed interest in their products, providing additional information or samples as needed, and nurturing relationships to facilitate future business opportunities.

Annes Perfections has also received significant benefits from TFO Canada's MBA program. In collaboration with Concordia University, a tailored Canadian market entry study was developed for the SME's business and product offerings. "We are extremely thankful to TFO Canada for their support. Without their assistance, it would have been quite challenging for us."

Annes Perfections attributes its success in exporting to the US and Canadian markets to low aflatoxin levels, highlighting natural taste, and offering wholesome organic products. These factors appeal to consumers valuing authenticity, health and sustainability. By emphasizing quality, safety, taste and organic options, Annes Perfections participated in SIAL Montreal 2024: "As an exhibitor...it was an incredible and exciting experience...interacting with visitors was key and engaging with a diverse audience provided valuable feedback on our products... and helped us build brand recognition and networks..."

Annes Perfection's incredible success and preparation provide an inspiring example of how women can succeed in trade.



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