



Fresh Thinking for a Competitive Canada

Food Safety in Canada's Horticultural Sector

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The Canadian Horticultural Council

The Canadian Horticultural Council (CHC) is a voluntary, not-for-profit, national association with a long history of representing the dynamic and diverse sector of Canadian agriculture known as horticulture. The CHC has been committed to promoting the interests of its members since 1922.

The CHC's mission is an unwavering commitment to advance the growth and economic viability of horticulture by encouraging cooperation and understanding to build national consensus on key issues, thereby delivering unified and clear representation to governments and other national and international parties.

Across Canada, the CHC's members are primarily involved in the production, packing and processing of over 120 horticultural crops comprised of fruit and vegetable crops.

Members include provincial and national horticultural commodity organizations representing more than 25,000 producers in Canada, as well as allied and service organizations, provincial governments and individual producers.

Canada's Horticultural Industry

Horticulture is a highly diversified agricultural production, encompassing in excess of 120 species and sub-species of fruits, vegetables and herbs.

The Canadian horticultural sector is one of Canada's largest agri-food industries. For example, Canadians spend more than \$14 billion on fruit and vegetable products in retail food stores, which accounts for 25% of all retail food expenditures. This is before considering expenditures on Canadian wines of at least a half a billion dollars, the more than \$3 billion of horticultural products purchased by Canada's food service sector, consumer expenditures on floricultural and nursery products in many market channels, and the \$3 billion in exports of horticultural products.

Horticulture is one of the larger production sectors, with over \$5 billion in cash receipts and is the major source of cash receipts in British Columbia and Prince Edward Island, and accounts for more than one-half of crop receipts in all provinces outside of the prairies. As in all farm sectors, the horticulture sector has been affected by globalization, strengthening of the Canadian dollar, increasing regulatory costs, and concentration at each end of supply chain.

With consumer expenditures of \$7.8 billion, produce represents 13.7% of food expenditures at food retailers, which is based on 6.9% for fruit and 6.8% for vegetables. In comparison, the average US consumer spent 3.8% of their food dollar at food retail outlets on fresh vegetables and 3.9% on fresh fruits. The total produce expenditures of 7.7% in the United States underscore the higher per capita fresh fruit consumption in Canada.

Processed fruit and vegetable expenditures of \$6.6 billion accounted for the other 11.6% of retail food expenditures in 2004. This includes a range of products; from juices to canned products, to condiments, and to snack products such as fruit snacks and potato chips.

It is important to note that when it comes to fresh fruit and vegetables \$3 of every \$4 dollars we as Canadians spend are for imported product, the majority of which is from the United States.

At Issue: Food Safety in Canada's Horticultural Sector

Background

In 1999 Canada's horticultural industry, through the CHC Board of Directors, made the decision to take a proactive and leadership role in the development and dissemination of an on-farm food safety program for use by those who grow, pack and store the abundance of fresh fruits and vegetables enjoyed by Canadians. Since then we have accomplished a great deal. Thousands of CHC On-Farm Food Safety Manuals have been distributed to farms across Canada. A very conservative guesstimate is at least 5,000 copies and quite likely more.

These accomplishments would not have been possible without the collaboration and support, financial and other, of Agriculture and Agri-Food Canada and the Canadian Food Inspection Agency. The Government of Canada has made considerable investment in helping industry develop the program and the importance of this support cannot be emphasized enough. It is critical that such support continue into the future and be available to both the early adopters who must now update as well as those who are either new to the program or implementing in a more formal manner.

The CHC's role with respect to on-farm food safety has been to provide the tools to enable and facilitate the ability of the sector to respond and compete in the marketplace, in Canada and beyond.

Our mandate was to deliver a realistic, cost effective, voluntary, market driven program:

- Based on member input and needs;
- Minimize the risk of contamination of produce grown in Canada
- Make a positive contribution to the safety of the Canadian food supply and ensure consumer confidence;
- Technically sound and credible;
- Created through a transparent process;
- Founded on the best available science; and
- Buyer recognized standard

This was a huge undertaking for the sector as it comprises over 120 fruit and vegetable crops. In order to organize and facilitate the process fruit and vegetable crops were grouped and the result is 8 commodity-specific Manuals, each with its own generic HACCP Model (ie: 8 in total).

A four-year strategic phase-in of one program for horticulture in Canada which is owned by the Canadian Horticultural Council on behalf of members was implemented.

Supply Chain Approach

The CHC has taken a supply-chain approach to food safety and established and relied on links between stakeholders and programs up and down the supply chain. We have strived for mutual recognition of programs by supply chain partners. It is important that programs take a common approach: one that is HACCP-based, technically sound and auditable. Programs must be market-driven and responsive to customer expectations.

CFIA Role

The CFIA role, and one which we have supported, has been to lead the Government Recognition Program for On-Farm Food Safety programs developed by National Producer Associations. This includes establishing criteria for technically sound, HACCP-based national programs and having a recognition system in place to do in-depth technical reviews to ensure credible, risk-based programs. As of May 1, 2009 the CHC awaits closure and CFIA sign-off of the Leafy and Small Fruit programs. The technical review process for our final modules is underway. Technical review of the on-farm programs by government will continue to be key to their credibility; there is a role for CFIA and AAFC to play in actively promoting government's role in program recognition to an international audience.

CHC OFFS Program

The Government Recognition Program provided CHC with the context to proceed as we did. That is, to develop a national HACCP-based program to help our members respond to market pressures and be pro-active in addressing food safety concerns.

Development began in the late 1990s. The CHC coordinated and ensured:

- The collective development of a national industry-based standard;
- A transparent process involving input from program users, customers and government;
- Commodity-specific modules based on hazard analyses for each crop grouping;
- A Science-based approach; requirements are based on peer-reviewed, published research; and
- Delivery of a certification component to assess producer/packer conformance with the national CHC standard began in the Fall of 2008.

Participation is market-driven and 260 producers have been certified since December 2008. The program has been endorsed by several major potato processing companies (McCain Foods Canada, Simplot and Lamb-Weston) a major Canadian retailer, Loblaw Co. Limited.

International Context

Trade in fresh produce is global and food safety is an international concern. The CHC's proactive initiatives extend beyond Canadian borders to ensure industry competitiveness and to influence and position the Canadian HACCP-based approach

as a model internationally. Global benchmarking and the international recognition of the Canadian program is our goal and we have initiated this process with GlobalGAP and GFSI (Global Food Safety Initiative).

Benchmarking

In the spirit of a supply chain approach, stakeholders in the Canadian fresh produce industry, the Canadian Horticultural Council (CHC), the Canadian Produce Marketing Association (CPMA) and the Canadian Council of Grocery Distributors (CCGD) have agreed that food safety should be a non-competitive matter. The best means of achieving this is to have credible HACCP-based national food safety programs all along the supply chain, and that in due course we would recognize each others' national food safety programs and promote food safety equally between domestic fresh produce and imported fresh produce. To achieve this final objective, a joint project was initiated in 2007: Comparing Canada's National Industry-led Food Safety Programs in the Fresh Produce Sector with Food Safety Programs Available in Importing Countries. The project sought to compare Canada's national industry-led food safety programs in the fresh produce sector with food safety programs available in importing countries. Canada is clearly a leader and the study was the subject of much interest.

International Federation for Produce Standards

In 2006 the International Federation for Produce Standards was formed to give an international forum to the produce industry to address areas requiring standardization across international borders. Primary areas of focus include food safety and GAP (good agricultural practices), harmonization, produce identification (including GS1 DataBar and IFPS PLU), and traceability.

Membership is comprised of:

- Asociacion de Exportadores de Chile
- Canadian Horticultural Council
- Canadian Produce Marketing Association
- Fresh Produce Consortium (UK)
- Fruit South Africa
- Horticulture Australia Ltd.
- Norges Frukt-og Gronnsaksgrossisters Forbund (Norway)
- Produce Marketing Association (US)
- United Fresh (NZ)

In April 2009, IFPS members developed consensus on the following points related to food safety:

1. The establishment of a single set of internationally recognized criteria against which food safety programs are benchmarked;
2. The outcome must encompass the total fresh produce supply chain; and
3. One global benchmarking system is preferable for the fresh produce sector.

The IFPS Food Safety Subcommittee (FSS) was formed to provide recommendations concerning food safety and food safety harmonization to the International Federation for Produce Standards for their consideration. The FSS objectives are:

- To improve the efficiency of the fresh produce supply chain through investigating, examining, developing, implementing and managing harmonized international food safety standards.
- To act as a forum for comment and discussion on issues relating to international food safety standards that affect the produce industry.
- To make recommendations and advocate appropriate courses of action in relation to international food safety standards that affect the produce industry.

Traceability

The CHC participated in a North American Task Force to establish a Global Fruit and Vegetable Traceability Implementation Guide. This document serves as a guide to implementing GS1 traceability standards in the Fresh Fruit and Vegetable (produce) Industry supply chain. This document serves as a best practice guide to implementing traceability in the Fresh Fruit and Vegetable (Produce) Industry. The best practices recommended are based on GS1 global standards for supply chain management and product identification. These standards were developed by industry to optimize business practices across supply chains world-wide. The scope of this guideline:

- Applies to fresh fruit and vegetables for human consumption.
- Traceability practices from grower to retail store or foodservice operator (i.e. external traceability).
- Applies to all levels of product and shipping containers, including pallets, cases and consumer items.

The document provides a guide for fresh produce growers, packers, third party logistic providers, exporters/importers, and distributors as well as their customers and suppliers. Individual organizations may perform any combinations of these roles.

Summary

Resources are required to help the Canadian produce industry implement and sustain the program for farms across Canada. Programs are costly to run and the technical components need ongoing revision to maintain currency with developing science. The current projections show the CHC OFFS Program running a deficit for the first five years, with debt accumulating until Year 8.

Investment required for Canadian industry to contribute to and be involved in the direction of industry-driven standards at the international level.

Furthermore, there are significant research needs in the area of on-farm food safety for fresh produce. Many questions have yet to be answered definitively. Investment is needed to advance studies in these areas. In 2008 a priority list jointly compiled by Health Canada, CFIA, CHC and CPMA last year and is posted on the Health Canada web site.