



Canadian Food  
Inspection Agency

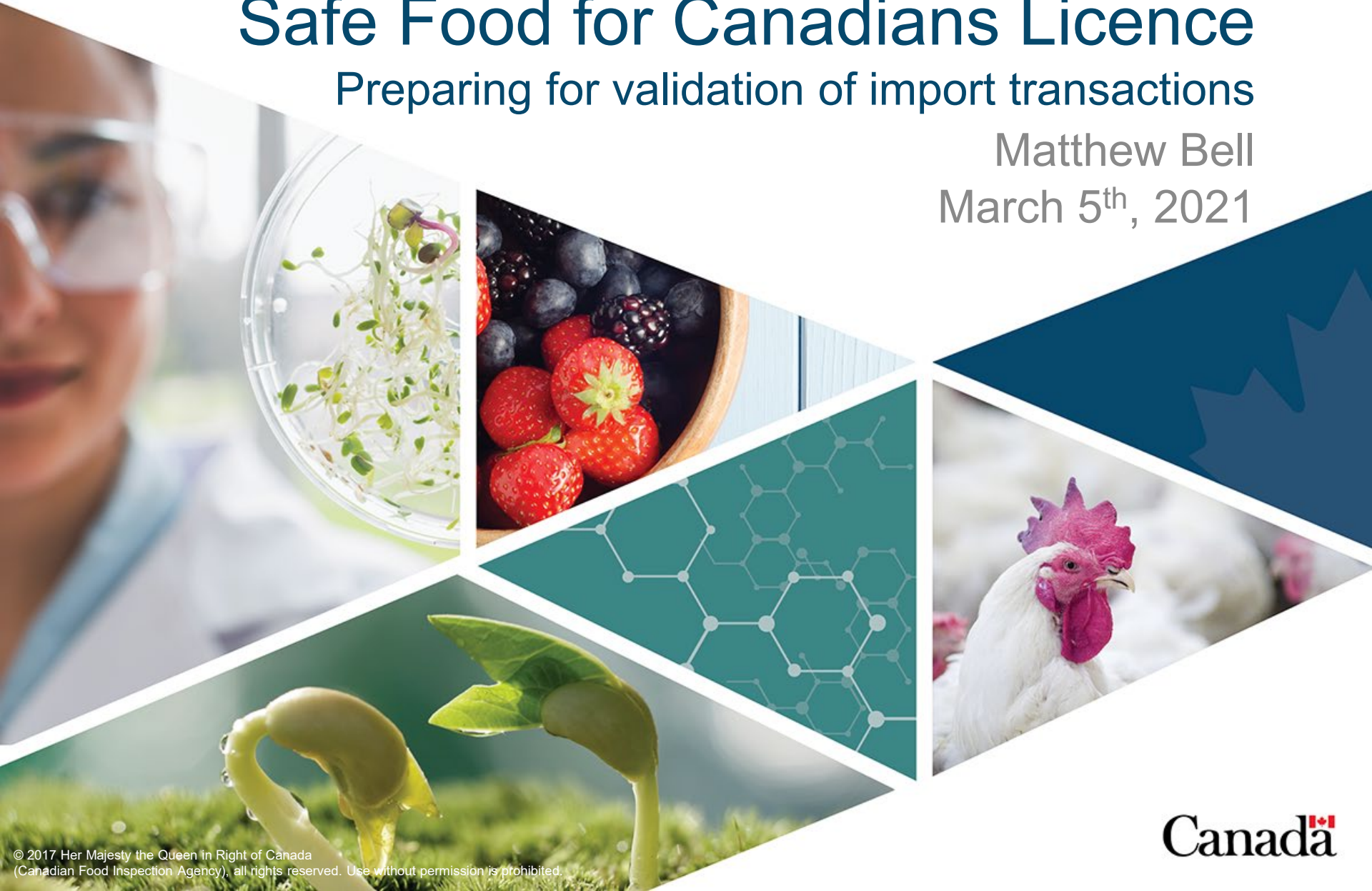
Agence canadienne  
d'inspection des aliments

# Safe Food for Canadians Licence

## Preparing for validation of import transactions

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March 5<sup>th</sup>, 2021



Canada

# Key updates

Today's presentation will cover:

## 1. **Background**

- Phased approach to licensing under the SFCR
- Importer onboarding – What is CFIA's import data showing and what does it mean?

## 2. **March 15, 2021 – Key milestone**

- Why March 15<sup>th</sup>?
- What changes on this date? How is it different from current state?

## 3. **Safe Food for Canadians (SFC) licence validation**

- What is CFIA validating?
- How can you ensure your declarations pass licence validation?

## 4. **What to expect when a declaration contains an invalid SFC licence**

- What are the new error messages?
- How should you respond?
- Keys to success

## 5. **Next Steps**

- What to expect after March 15<sup>th</sup> – promoting compliance, CFIA's response to enquiries
- Looking ahead to the next phase – Manufactured Food Sector

# Background

## Phased approach to SFCR implementation

- January 2019: Coming-into-force of SFCR
  - Phase I: SFC licence and food safety requirements for:
    - Meat
    - Fish and seafood
    - Dairy
    - Fresh fruits and vegetables
    - Processed fruits and vegetables
    - Eggs and processed egg products
    - Maple
    - Honey

# Background

## Phased approach to SFCR implementation

- July 2020

Phase II: SFC licence and food safety requirements come into force for Manufactured Food Sector, for example:

- Dried herbs and spices
- Infant foods
- Confectionery
- Baked goods
- Dried pasta, rice, flour
- Non-alcoholic beverages
- Coffee/tea

# March 15<sup>th</sup> 2021 - Key milestone

March 15<sup>th</sup> - What will change? What stays the same?

- **food import transactions will automatically be rejected unless a valid SFC licence is entered in the Integrated Import Declaration (IID)**
  - Transition period of more than 2 years to ensure sufficient onboarding and smooth transition at the border
- Regulatory requirements aren't changing – SFC licence has been required since Jan. 2019
- CFIA's Automated Import Reference System (AIRS) was updated Jan. 2019; will not change on March 15<sup>th</sup>
- CFIA's inspection approach and activities at the border are not changing

# SFC licence validation

## 3 components to licence validation

1. Correct declaration of SFC licence # in IID
2. Covers the activity of “Importing Food”
3. Covers the food commodity/commodities that are being imported

# SFC licence validation

## 1. Correct declaration in IID

- SFC licence must be declared correctly in the Registration Number field, without mistakes or typos
- Must be declared exactly as it was issued by CFIA
  - 8 digit alpha-numeric number (e.g. A12B3CD4)
  - Importer can find this number in their My CFIA account
  - No additional words or characters should be entered

# SFC licence validation

2. All SFC licences declared need to cover the activity of “Importing Food”
  - “Importing Food” must be selected regardless of whether:
    - the food is an ingredient for further processing or a finished food
    - the food is in its final packaging or not
    - the importer is located in Canada or is a Non-resident importer (NRI)
  - Needs to be verified by the licence holder. Brokers (if they are not the licence holder) are reliant on the importer to ensure “Importing Food” has been selected on their licence.



# SFC licence validation

3. SFC licence covers the food commodities being imported
  - A licence holder can modify the commodities/sub-commodities in their licence at any time, free of charge, by doing a licence amendment through the My CFIA portal
  - **Importers keep in mind:**
    - food safety requirements (e.g. preventive controls) need to be in place before a new food commodity is added to your licence
    - Adding a food commodity may trigger a pre-issuance inspection
    - Importers will not be given priority over others in the queue
    - Allow as much time as possible before import when adding a new commodity category to your licence
  - Brokers (if they are not the licence holder) reliant on importer to ensure correct commodities are selected
  - Guidance is available on the CFIA website to assist food businesses in selecting the appropriate food commodities



## What to consider before applying for a Safe Food for Canadians licence

### On this page

- [1.0 Introduction](#)
- [Getting a Safe Food for Canadians licence](#)
  - [Step 1: Create an account in My CFIA](#)
  - [Step 2: Determine your licence structure](#)
  - [Step 3: Complete the licence application](#)
  - [Step 4: Receive your licence](#)
- [3.0 Amending a licence](#)
- [4.0 Additional information](#)
  - [Annex A – Food categories identified in the licence application](#)
  - [Annex B – SFCR licensable activities](#)

### Annex A – Food categories identified in the licence application

When applying for a Safe Food for Canadians (SFC) licence, you will be asked to identify the foods you are responsible for by choosing from a list of food commodities and sub-commodities. It is important to select the correct food commodity and sub-commodity so that your licence accurately reflects your business. Examples of foods that fall within each of these commodities are explained in the tables below. You do not need to select categories to cover the ingredients you use in your products. For example, you would not select "eggs" or "dairy" to cover the ingredients used in your "cream filled doughnuts".

# What is CFIA's data showing?

- CFIA has been monitoring compliance of import declarations over the past year
  - Improved guidance and targeted communications to importers and brokers
  - More than 1000 letters sent to individual importers
- Compliance rates have steadily increased month over month
  - Now up to approx. 87% compliance
- Recent dip in compliance rates due to SFC licences not being renewed
  - Licences expire after 2 years
  - Approx. 450 SFC licences were not renewed
  - Resulted in additional 4000 transactions that did not pass licence validation

# What is CFIA's data showing?

## Areas for improvement

– Commodities with highest rate of non-compliance:

- Dairy
  - Eggs
- mostly due to not entering the correct SFC licence #

- Processed fruits
  - Processed vegetables
- Mostly due to selecting the incorrect commodity on the licence



# What to consider before applying for a Safe Food for Canadians licence

- [4.0 Additional information](#)
  - [Annex A – Food categories identified in the licence application](#)

## Processed fruits and vegetables sub-commodities

The foods found in the processed fruits or processed vegetable sub-commodities may contain a variety of other ingredients and may or may not be subject to standards of identity or grades set out in the *Safe Food for Canadians Regulations* and *Food and Drug Regulations*. Many of these foods were previously regulated by the *Processed Products Regulations*; however, similar foods made by processing fruits or vegetables that fell outside these former Regulations are included within this commodity group now.

## Examples of processed fruits and vegetables sub-commodities

Sub-commodity	Examples
Processed fruits	apple sauce, fruits packed in hermetically sealed packages (such as cherries, fruit cocktail, fruit salad, fruit cups, peaches, pears, plums, sliced apples, strawberries), frozen fruits, sorbet, fruit juice, concentrated fruit juice, fruit juice from concentrate, and frozen concentrated fruit juice, fruit nectars, jams, jellies, fruit spread, fruit pie filling, fruit peel, marmalade, minced meat, dried fruits, fruit leathers
Processed vegetables	vegetables packed in hermetically sealed packages (such as asparagus, beans, bean sprouts, beans with pork, beets, carrots, corn, cream style onions, creamed mushrooms, green beans, peas, potatoes, ketchup, legumes, lima beans, mixed vegetables, mushrooms, pumpkin, squash, sauerkraut, spinach, sweet potatoes, tomato (crushed, diced, paste, pulp, puree, sauce, stewed), chickpeas, lentils, and wax beans), frozen vegetables (such as peas, mushrooms, onions, spinach, squash, vegetable mixes/blends), french-fried potatoes, vegetable juices, vegetable juice from concentrate, concentrated vegetable juice, chutney, horseradish, sauerkraut, olives, pickles (fresh or fermented), relishes, dried vegetables

# Responding to invalid SFC licence

## 5 possible reject messages

	Reject message	Reason for reject	Corrective actions
1.	"AIRS registration number is required (893 – Safe Food Licence)"	Registration # field was left blank	Resubmit with SFC licence #
2.	"Licence number must be 8 digit alpha numeric. (A12B3CD4). Verify licence in My CFIA"	Number provided not in CFIA's database OR "Y" or "N" entered	Confirm importer's SFC licence # Resubmit with correct SFC licence #
3.	"Licence number is either suspended, cancelled, or expired. Verify status in my CFIA"	Licence # provided is suspended, cancelled or expired	SFC licence # cannot be used to import

# Responding to invalid SFC licence

## 5 possible reject messages

	Reject message	Reason for reject	Corrective actions
4.	“Licence number is not valid for importing. Verify activity in My CFIA.”	Licence # does not cover “Importing Food”	Importer needs to amend their SFC licence in My CFIA – add “Importing Food”
5.	“Licence number entered does not cover food being imported. Verify licence in My CFIA.”	Licence # does not cover the food being imported	Importer needs to amend their SFC licence in My CFIA – add commodity category of food to be imported

**Pay close attention to the reject message before calling  
CFIA’s National Import Service Centre**

# Responding to invalid SFC licence

[Canada.ca](#) > [Canadian Food Inspection Agency](#) > [Importing food, plants or animals](#)

## Food imports

Rules, licences, preventive control plans, traceability, notices, and oversight.

Follow:      



## Services and information

### [Step-by-step guide](#)

How to import food into Canada.

### [Importing specific foods](#)

Rules by food type.

### [Importing from certain countries](#)

Requirements for importing from CFIA-accepted food safety systems.

### [General requirements](#)

Licences, preventive control plans, traceability documents and recall steps.

### [Foreign food safety systems](#)

Other countries whose food safety levels are equal to Canada.

### [Preventative control plan for importers](#)

How to develop, put in place and maintain a plan to make sure imported food is safe.

### [Search import rules \(AIRS\)](#)

Find commodities by classification, origin, destination and end use.

### [Non-resident importers](#)

Steps to follow if you do not live in Canada.

### [Food import notices](#)

Changes to rules and important reminders.

### [Foreign establishment verifications](#)

CFIA verification of foreign establishments that manufacture food for export to Canada.

## Most requested

- [Apply for import permits online](#)
- [New regulation timelines](#)
- [Toolkit for food businesses](#)
- [Contact the National Import Service Centre](#)
- [Other Canadian government oversight](#)
- [List of acts and regulations](#)
- [Find a form](#)



# Responding to invalid SFC licence

## Things for brokers to keep in mind

- Importers can hold more than one SFC licence – ensure they are providing you with the correct number.
- Reject reason #2 – verify correct number using CFIA's online licence registry .
- Reject reason #3 (suspended/cancelled/expired licence) can be verified using CFIA's online licence registry.
- Reject reason #4 and #5 – needs follow up with the licence holder
- In many cases, rejections can be fixed relatively quickly – licence holder amends the licence and transaction is resubmitted without needing to call CFIA

# Responding to invalid SFC licence

- New reject messages have greater number of characters than past CFIA reject messages
- Broker systems need to be able to accommodate/receive up to 125 characters to view the entire SFC licence reject message
  - ACROSS has a 200 character limit for reject messages
  - ECCRD identified a character limit of 512 characters for this field
- If needed, please follow up with your service provider regarding additional testing
  - CFIA remains available for support

# AIRS end use codes and personal imports

- Foods without requirements under the *Health of Animals Regulations* and *Plant Protection Regulations*:
  - shipments can be imported for personal use (under end use 46) without needing an SFC licence
  - CFIA is reviewing all food HS codes and adding “travelers and personal” end use where it is missing
  - If you identify an HS code that is missing this end use, please email the AIRS inbox: [cfia.airs-sari.acia@canada/.ca](mailto:cfia.airs-sari.acia@canada/.ca)

# Next steps

## **What to expect on March 15<sup>th</sup>**

- When shipment arrives at border, CBSA's process same as for other admissibility requirements – shipment will not enter Canada until a release recommendation is received from CFIA
- Expect a spike in rejects in first month with quick correction

## **What to expect after March 15<sup>th</sup>**

- Compliance rates will continue to improve
- Continuous engagement with industry associations and CBSA to monitor progress
- Additional communications as needed

## **Looking ahead to the next phase – Manufactured Food Sector**

- No date established yet
- Recommend brokers submit an SFC licence on all transactions

# Keys to success

- Collaborative effort needed by government and industry
- Continue to raise awareness in supply chain
- Flag potential issues as soon as possible
- Declare in advance!
  - Whenever possible, make declarations as far in advance as possible
  - Provides time to identify and correct issues and resubmit before shipment arrives at border
- **Brokers:** your direction to importers when correcting a rejected declaration will be critical!
- Importers: double check My CFIA licence profile

# Have questions?



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Search Inspection.gc.ca



MENU ▾

[Canada.ca](#) > [Canadian Food Inspection Agency](#) > [About CFIA](#)

## Contact us – Canadian Food Inspection Agency

Phone, email and address information for questions, complaints, appeals, applications or permissions.

### By phone

For general or media questions, or if you have a question about your food licence.

### Online

Send us a question or comment via our website.

### Area and regional offices

Inspections and investigations, business and administrative services, find an office or a port of entry.

### Importing

Request an authorization or get help with import requirements.

### Permissions

Licenses, permits, registrations, exemptions, authorizations, and permissions to move.

### Food safety or labelling issues

How to report a concern.

### Complaints and appeals

Steps to send a complaint or appeal a CFIA decision.

### Pre-market applications

Livestock feed, Plant Breeders' Rights, fertilizer, crop variety, plant with novel traits, veterinary biologic.

### Produce inspections

To resolve buyer-seller disputes over the quality of shipped fresh fruit and vegetables.

# Have questions?

- Normal support channels will be available – NISC, AskCFIA, Permissions Unit
- CFIA's Industry Relations will continue to be available to support CSCB and members leading up to and following March 15<sup>th</sup>
- Enquiries will be dealt with on a first-come, first-served basis
  - No intent for import-related question to “jump the queue”

# Annex 1:

## Fish Import - Billing

- Status of invoicing:
  - Billable data
    - All up to August-30-2020
    - September to December 2020 to be billed in the coming weeks
  - Unbillable data (Due to quality of data provided)
    - AR is currently working on a process
    - MS Excel report + Backup
- Review Process
  - Taking extra time to review as we work to identify how to avoid ongoing issues with future billings
  - Working to add clarity to the “CFIA Data sharing appendix” for CFIA Account Number and Weights
    - See next slide for more details
- Disputes:
  - Broker to Importer
    - Disputes are being processed as authorization forms are received
    - Will reduce the number of disputes for future invoices sent
  - Weight Disputes
    - We have developed a process in order to action these disputes.
    - Awaiting approval from our senior management
  - Other types of disputes (End use, RTE vs Not RTE)
    - We are still developing a process to action these items.
- Common issues
  - Weights: Calculation (# of packages x unit weight x number of unit per package) vs total weight \*\*\* both should match
  - Incorrect account number quoted
  - No account number present
  - Inaccurate end uses and HS codes



# Annex 1:

## CFIA Data sharing appendix

	Data Element	Rules / Notes	XML Tag	Source	CBSA Max Occ	Mandatory or Conditional	CFIA Expected # of Occ
1.	<b>Transaction Level</b>				1	M	
17.	CFIA Account Number <b>8 digit number</b> <b>Ex: 10012345</b>	The CFIA account number for the payment of CFIA processing fees must be provided if applicable.		SG7 / NAD / (Q) 3035 C082 / (E) 3039	1	C	1
18.	CFIA Payer Name <b>This needs to be the same as the CFIA Account Number</b>	The name of the payer associated with the CFIA account being used for CFIA processing fees must be provided if applicable.		SG7 / NAD=HQ / (Q) 3035 C080 / (E) 3036	1	C	1
71.	<b>Commodity Details Level</b>				99	M	All Submitted
77.	CFIA / AIRS End Use <b>Select the appropriate End Use as this has a direct effect on the fee to be charged</b>	The AIRS End Use code must be provided exactly as defined in AIRS or it will not pass CFIA validation.		SG117 / GIN / (Q) 7405 C208 / (Q) 7402, 2 = A02 / (E) 7402, 3-4	99 Per Commodity	C	1 Per Commodity
85.	HS Code <b>Select the appropriate HS Code as this has a direct effect on the fee to be charged</b>	The 10 digit harmonized classification number (as per the tariff in effect where the declaration was filed) Related to each commodity.		SG117 / TCC / C528 (Q) 1131 / (E) 7357	1 Per Commodity	M	1 Per Commodity

## Annex 2:

# SFCR Non-resident importer requirements

- NRIs are importers outside of Canada who hold a SFC licence to import.
- Allowed only under specific conditions
  - For the US: most foods including meat, live/raw shellfish
  - For other than US: limited to meat products, live/raw shellfish
- SFCR allows Non-resident Importers (NRIs) under two main conditions
  1. Location requirement: NRI must be located in a country with a CFIA-recognized food safety system (see CFIA's NRI guidance page for more information)
  2. Supply chain requirement: food imported by the NRI must be sent to Canada directly from the recognized country

## Annex 2 (cont'd):

# SFCR Non-resident importer requirements

- If both conditions cannot be met, foreign party has 2 options:
  1. establish a place of business in Canada to become a “resident” importer (SFC licence holder); OR
  2. procure the services of an importer in Canada to import the products on their behalf

### **Who is responsible for meeting SFCR requirements?**

- The SFC licence number that is declared for each commodity line item, is the person/business CFIA will follow up with to ensure SFCR requirements are being met
  - e.g. the SFC licence number declared will be the party responsible for having the preventive control plan, food safety records etc. required by the regulations