Agriculture and Agri-Food

Guide to the European Union's Regulatory Requirements Facing Canadian Agri-Food Exports

Canadian Mission to the European Union

Department of Foreign Affairs and International Trade

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PREFACE

For those considering exporting to the European Union, this handbook outlines some of the regulations that face Canadian exporters of agri-food products. It is hoped that this will prove to be a useful basic guide to understanding the regulatory environment of the European Union.

While developing export markets is a significant job that requires a lot of perseverance and effort, it has been a very rewarding experience for many small and medium sized enterprises in Canada. This guide is therefore given, with the desire that many other SMEs will have many of their questions about the EU answered, thus increasing the likelihood of them taking advantage of this export market.

This handbook is broken down in the following manner. There is a brief overview given of the European Union, its agricultural policies, and the market for Canadian Agri-Food products. This is followed by a more detailed review of the import requirements of the European Union. Canadian Export Requirements are also presented (this states which products are not allowed to be exported, as well as the regulations that govern the exports of agri -food products). This is then followed by an overall conclusion, as well as a list of useful contacts and internet sites.

This guide is intended to focus on the regulatory environment. However, there are other publications that have been prepared for individuals and companies interested in exporting to the

EU. These publications address other issues of importance to the exporter. These include *Agri-Food Trade: An Action Plan for the European Union (June 1997); European Union Market Assessment Report (December 1996);* and the *Guide to Food Labelling and Packaging Requirements of the European Union (May 1997)* (a more detailed list of publications is given in Annex III). This guide, is intended to be complementary to the *Guide to Food Labelling and Packaging Requirements of the European Union.* Therefore, this guide will not duplicate the work that has already been done, on the labelling and packaging requirements as well as standards on additives and hygiene.

While care is taken to keep this Guide current and accurate, import and export conditions and requirements may change. Therefore, exporters are advised to verify the accuracy of this information with responsible authorities.

FOREWORD

When we began this project we knew that it would be an onerous task. The European Union's legislation is complex and the lack of consolidated texts adds to the confusion which is usually attributed to EU food import requirements. This is also the first time that a guide of this nature has been attempted.

We hope that the information provided will be useful. Our intent was to develop a guide that would help Canadian exporters understand the rules covering the import of their products. It will compliment the Guide to Food Labelling & Packaging Requirements of the European Union (available at - http://atn-riae.agr.ca/public/htmldocs/e1429.htm.) Obviously, importers or import brokers will offer advice to you the exporter. Through this guide Canadian exporters should be in a position to quickly verify the information being provided by importers or, perhaps more importantly, know where to find that information. We are aware that a guide of this nature cannot possibly answer all questions.

We would also like to stress that EU rules, like those in most jurisdictions, constantly evolve. We intend to keep this manual up to date. Its relevance can only benefit from input from exporters. We welcome your comments.

Finally, we would like to thank Jonathan McClelland for his dedication and enthusiasm in compiling this guide. Jonathan came to us for an internship after completing his studies at the Nova Scotia Agricultural College in Truro. He leaves us as possibly one of a handful of experts in EU agricultural import legislation. Similarly, Rachel Archer, who came to us from the University of Lethbridge also on an internship, has been instrumental in completing the guide.

I. AN OVERVIEW OF THE EUROPEAN UNION

The European Union is the single largest trading bloc in the world. It is composed of 15 countries (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden, The Netherlands, and the United Kingdom). These countries have a combined population of over 370 million people. In addition, the gross domestic product is in excess of $7 trillion (US). Thus in both population and GDP, the EU is larger than the United States.

The EU has been and continues to be in a state of consolidation and centralization. One goal of the EU, is to have a common market that allows for a free flow of goods, services and people between the nations that make up the Union. This has necessitated a standardization of laws,

policies, etc. across the EU, including import regulations.

In order for the EU to work, several government bodies have been established. The ones that we will briefly consider are (1)The European Commission, (2)The Council of the European Union ("The Council"), (3)The European Parliament, and (4)The Courts. For more in-depth analysis of these bodies, please refer to the "*Handbook to the European Union - a Canadian Perspective*", or "*Europe from A-Z - Guide to European Integration.*"

The European Commission

The European Commission has the responsibility of being the "Guardian of the Treaties." That is, seeing that the Treaty provisions are correctly applied and that decisions that have been based on the Treaties were correct. The Commission has the power to initiate infringement proceedings against any member state, and if necessary, refer these proceedings to the European Court of Justice.

There are 20 commissioners appointed by national governments (and approved by the European Parliament). Each commissioner is responsible for one (or more) areas of policy, but decision making is a collective responsibility. Each commission member, is responsible to act solely in the interest of the EU, and remain independent of their national governments.

The Commission has the sole right in the European Community, to initiate legislation, dealing with any subject other than Justice and Home Affairs or Common Foreign and Security Policy. The Commission has a very influential role in the development of legislation from when it is first proposed, until it becomes law.

The Council of Ministers [(1)]

This Council has both a political and legislative role within the institutional framework of the EU. The Member States appoint representatives to this body, and they have the full authority to act on behalf of their own governments. While these representatives have their own national interests to look after, they are also responsible to look at what is best for the entire EU. These government representatives are usually cabinet ministers of the national government. On many issues, the foreign minister represents his/her government. However, Ministers that attend Council meetings on specialized areas such as agriculture, are usually the ministers that are responsible for that portfolio in their national government.

The Council addresses both internal and external issues that face the EU. The Council's main function is to adopt (or not adopt) legislation that has been initiated by the Commission and has gone through the decision making process.

The European Parliament

This is the only body in the EU that is directly elected by the people of Europe. Currently there are 626 members of the European Parliament (MEP's). They are elected for 5 year terms.

The Parliament has both a supervisory and a participatory role within the Community. Some of it's supervisory roles include; setting up Committees of Inquiry, asking questions of the Council and the Commission, and passing motions of censure when it disapproves of the Commission's activities.

As to the Parliament's participatory role, this has been increased in recent years. The Parliament has certain deciding powers in connection with the budgetary process and has used these powers

to influence the legislative process.

In addition to this, under the Amsterdam Treaty, the European Parliament has been granted the powers of co-decision (along with the Council) in issues regarding food safety.

The Council Presidency

The Council Presidency is rotated between the different Heads of State on a six month basis. This means that the Prime Minister/President of that EU state and his ministers, chair all of the meetings that occur during these six months. Each Member State exercises quite a bit of influence over the proceedings during the time that they hold the presidency. Usually when these governments have the presidency; they come to it intending to achieve several goals. Therefore, the agenda reflects (to a certain degree) that Member State's philosophy and goals.

The Courts

There are three EU courts; The European Court of Justice, The Court of First Instance, and the Court of Auditors.

(1)The European Court of Justice

This court is the Community's highest judicial institution. It's function is to rule on the interpretation and to supervise the application of EC law. It is to ensure that the obligations imposed by the Community Treaties are correctly carried out and fulfilled. Member States, individuals or companies that have legal standing in the EU can bring cases to the ECJ.

This court's jurisdiction allows it to judge whether the actions or inactions of the Member States constitutes failure to fulfil obligations imposed on Member States by the Treaties. If a country is found to be in the wrong, there is usually an opportunity granted to rectify the wrong. However, if the country does not comply with the court's ruling, it is subject to be fined. In addition to many areas within the EU, this Court also has one area beyond the European Community that it can rule on. This is regarding the admission of new Member States to the Union.

(2) The Court of First Instance

This court was set up in 1986 to reduce the backlog of cases before the ECJ. It addresses actions brought by individuals and legal entities against actions of the EU institutions in all fields except that of anti-dumping. Appeals on points of law from a ruling of the Court of First Instance are heard by the ECJ.

(3) The Court of Auditors

This court is responsible for supervising the EU budget and auditing the EU's financial activities generally. It monitors the collection of revenue, it's management and expenditure, and the implementation of the community budget to ensure that all are conducted legally and in accordance with sound financial management principles.

(4) National Courts

National Courts of the Member States are where individuals and companies often present their cases. If a case that is brought before the National Court, deals with European law, then the National Court can appeal to the European Court of Justice for an interpretation on the point of law.

The Process of Legislation Development

As has been previously mentioned, the Commission has the sole right to initialize legislation in

the dominion of the Community affairs, particularly in relation to the internal market. The creation of new legislation is theoretically broken down into three parts, initiative, consultation, and decision making.

The Commission prepares a draft proposal, which is prepared by the Commission department responsible for that specific sector. This draft proposal is often compiled in consultation with national experts from different EU countries. This draft proposal consists of a complete text, that details the context and form of the message. This working paper is then brought before the entire Commission. When the Commission reaches agreement on the proposed text, the draft proposal is adopted as a "Commission Proposal" by a majority vote. This proposal is then ready for external scrutiny.

After the proposal is translated into the 11 official languages of the EU, it is published. A copy of the proposal is then sent to the Council, along with a comprehensive explanation of the Commissions objectives (some proposals are also sent to the European Parliament). The Commission has the option to withdraw or amend the proposal as long as the Council has not acted on it.

While the Council is reviewing the proposal, the European Parliament is usually consulted on the proposal and the parliament may suggest amendments. However the suggested amendments usually are not binding on the Council. However in some cases, it is stipulated that the European Parliament has powers of co-decision. In these cases, such as food safety, the parliament has equal weight (to the Council), in approving the proposal.

According to the distribution of power between these three institutions, all legislation has to be adopted by the Council in order for it to be approved. The legislation takes one of three forms, it is either a **regulation**, a **directive**, or a **decision**. A **regulation** is binding in it's entirety and is directly applicable to all Member States. In contrast to this, a **directive** states the results that have to be achieved, and allows each Member State the flexibility to decide what form and method is to be used, in order to achieve the desired result. It should be noted that neither directives nor regulations are optional; they must be obeyed by the Member States.

Decisions are also binding in their entirety. However, they do not always deal with Community wide issues and therefore may be addressed to any or all Member States, specific undertakings, or to individuals.

Expansion of the European Union

The European Union adopted a statement at the Copenhagen European Council in June, 1995 that 'the associated countries in Central and Eastern Europe that so desire shall become members of the EU.' Many of the Central and Eastern European Countries (CEEC) have expressed an interest in joining the EU. Currently there are 6 countries (Czech Republic, Cyprus, Estonia, Hungary, Poland , and Slovenia) in accession negotiations with the EU. Bulgaria, Latvia, Lithuania, Romania, and Slovakia are involved in an analysis of the rights and obligations of EU membership. Malta and Turkey have also expressed interest in joining the EU.

While it appears that these countries will not be immediately received into the EU, it is realistic to think that in the medium term (5-10 years), some of them will join the EU. These developments bear close monitoring as many of these countries have good potential for expanded agricultural production. Therefore, their entry into the EU (or even favourable trade relations between them and the EU) could result in significant displacement of Canadian agri-food products. For example, the EU does not produce enough oilseed crops, but the CEEC's have good potential to expand their oilseed production.

It must also be kept in mind that expansion of the EU may not be solely eastward. Norway, Iceland, Switzerland and Liechstenstein currently are not part of the EU. However, they have a trade agreement with the EU. It is realistic to foresee that these countries may one day become part of the EU as well.

Monetary Issues in the European Union

On January 1st, 1999, 11 of the 15 European Union countries adopted the euro () as their official currency. The adoption of this currency represented a major milestone of the overall integration of the European Union. This new currency will be phased in over a three year period. During this period, day-to-day transactions will be done in national currencies, while financial transactions and stock market activities will be denominated in euros. During this transaction period, the national currencies will be regarded as sub-denominations of the euro. Until January 1, 2002, Canadian businesses will have the option of offering their products to European customers priced either in euros or in the national currencies (or in Canadian or American dollars).

One consideration for businesses to keep in mind, is that the adoption of the euro will make it more difficult for companies to charge different prices, for the same product, in different markets within the EU. The reason for this, is that the greater transparency in prices makes it easier for consumers to price shop. Additionally, the development of electronic commerce makes it easier to do business across national borders. This will affect high value, easily transported products like automobiles the most, but it will likely also have a significant impact on food sales in border areas. A second consideration, is that this convergence of prices will likely make the cost of doing business in Europe a bit lower. While this will benefit Canadian businesses selling in Europe, it will also lead to significant savings for competing European businesses, thus lessening (to some degree) the cost disadvantage that they face, when compared with Canadian producers.

The introduction of the euro should make pricing decisions easier for Canadian exporters if they export to more than one of the countries in the euro zone. With the euro, an exporter would only have to make up one price list for these 11 countries knowing that there will not be fluctuations in currency values between the countries that use the euro. However, it is necessary to remember that there are still 4 EU Member States that have retained their own currencies. These countries, the United Kingdom, Sweden, Denmark, and Greece, have free floating currencies at this time.

At the first glance, it may appear easier just to market to states that use the euro. However, these other four states have a combined population of 82.9 million people (22.4% of the EU population), which represents a significant market that should not be ignored. The United Kingdom in particular, has been Canada's top export market within the European Union, and will continue to be a very important export destination in the foreseeable future.

When a Canadian company is considering the issue of how much to charge for their product, it is advisable to allow for a reasonable fluctuation in the exchange rates between Canada and Europe (assuming that the price is quoted in a European currency). This means that the exporting company would still be able to make a profit even if the Canadian dollar rose in value against European currencies. An increase in the relative value of the Canadian dollar is a distinct probability, and should be considered in pricing decisions.

When a company is considering what price they should charge for their products, it would be wise to take into account the creditworthiness of the importing company as well as the importing country. Probably one of the best sources for this type of information is the Export Development Corporation. The EDC, which is a Crown corporation, has had a long history of assisting Canadian exporters by providing services such as insurance against default by the purchaser. One of this corporation's most useful tools is the *"Guide to Country Risks and Opportunities."* This

guide gives a quick overview of economic conditions in 96 countries. However, the only EU countries that are covered in this guide are Germany, France, Italy and Britain.

II. AGRICULTURE IN THE EUROPEAN UNION

The European Union's Common Agricultural Policy (CAP)

The Common Agriculture Policy is one of the three pillars that the European Union has been built upon. Spending in this program accounts for approximately half of the EU's annual budget of $93 billion (US) while agriculture represents less than 2 % of the EU's GDP. According to Article 38 of the EEC Treaty (since 1993 called the EC Treaty) the common market extends to agriculture and the trade in agricultural products. Within the European Union, agricultural policy and the agricultural market have gained a special position. Consequently the majority of the Community legislative provisions relate to agriculture. The high costs of the CAP, and differing national interests, has ensured that agriculture has become a flashpoint for many different interest groups.

CAP provides for strong price protection through intervention in the internal market, import levies, production quotas for milk and sugar, enhancement of production conditions by supporting farms, improvement of the marketing structure, subsidies to compensate for natural shortages, and special programs for disadvantaged areas.

In the EU's attempts to improve the welfare of the farming community, and make the Union less dependant on food imports, price supports that originally were intended primarily to provide a safety net, have risen to the point, that for many commodities, the price that the farmers receive is far higher than the world price. This artificially high price has caused a dramatic increase in production. This increased production has resulted in massive food stocks being accumulated by the EU. In order to reduce these food stocks, the EU subsidizes their exports to the world market. This has had the predictable effect of decreasing the world prices for these commodities. This lower world price has harmed producers in food exporting countries like Canada, Australia, New Zealand, the United States and many Third World countries.

These export subsidies have been the cause of many "subsidy wars" between the EU and the US. This has occurred by one side retaliating with export subsidies to match the subsidies of the other side. The results of these subsidy wars, has resulted in depressed world prices. These lower prices have threatened producers in other countries that are less subsidy dependent.

The commodities that have the greatest price support include cereals, oilseeds, beef and dairy products. One necessary component of having high internal support prices for these commodities, is that there has to be high external tariff rates, in order to prevent cheaper imports from flooding the market. These high tariff rates make access to the EU marketplace difficult for Canadian exporters.

Structural Funds

These structural funds are primarily directed towards rural regions of Europe. The rational behind these funds, is that by investing in poorer regions of Europe, over time, the standard of living in these regions will catch up to the rest of Europe. Each year, there are over 41,000 farms that receive investment aid in order to help improve the competitiveness of the farm, modernize the conditions of production, diversify activities, preserve the environment, and improve animals health conditions and welfare.

Rural Development

In the EU, there has been a noticeable decline in rural areas. This has been caused by significant structural changes in the economy. One of the biggest changes has been caused by the changing role of agriculture in the economy. The importance of agriculture to the gross domestic product of the EU nations is in decline. The number of people working in the agricultural sector has also declined (this trend is also reflected in North America).

In 1987, the percentage of the working population (for the 12 nations that were in the EU at that time) that was employed in agriculture, forestry, fishing and hunting was 8%. By 1995 this had dropped to 5.3%. The size of agriculture as a portion of the GDP declined during this time from 3.5% to 1.7%. It should be noted that these numbers are the EU average. The breakdown by country is widely divergent, with Greece (in 1995) having 20.4% of it's workforce employed in agriculture. At this time, the size of agriculture's contribution to the GDP of Greece was 7.3%. By contrast, in Britain, 2.1% of the population worked on farms (in 1995) and in Sweden, agriculture only made up 0.4% of the national GDP in 1995.

While there are a large number of farms in the EU (approximately 7,300,000) this still represents a decline of over 15% since 1987. This trend is expected to continue in the near future as average farm size continues to increase, shifts in demographics occur, and changes in technology are adopted.

Within the discussions on rural development and agriculture is the concept of "multi-functionality" or "The European Model of Agriculture." The meaning of these terms is, that there are other aspects to agriculture than only producing food. These other functions include preserving the rural landscape, protecting the environment, maintaining a way of life, etc. The European Union argues that since farmers perform these additional functions, they should be compensated for doing them, through price and income subsidies.

III. AGRICULTURAL REFORM

In July 1997, a review of the agricultural budget, programs and plans were launched as part of a comprehensive review of the entire EU budget. Known as Agenda 2000 the goals of the review and modifications were to prepare for enlargement to the east, stabilise the budgetary commitments of the EU for agriculture (which had been rapidly increasing), and prepare the EU for the next round of WTO negotiations.

Need for Reform

It is necessary to make significant changes to the CAP if the Central and Eastern European Countries (CEECs) are to be brought into the EU. This is especially important as these applicant countries are more agrarian than most of the Western European countries. If the high price support (that is currently paid to the EU farmers) was extended to the CEECs, there would be a dramatic increase in production. This huge increase in supply would cause the price of agricultural commodities to drop drastically. This lower price falling below the EU intervention price, would trigger the EU to intervene and buy up the excess food stocks, thereby accumulating massive stockpiles of food.

In order to get rid of these massive quantities of food, the EU would have to resort to expanding its aggressive subsidization of food exports. This would cause a further undercutting of the world market price. This would mean that agricultural produce would be sold at prices far less than the cost of production. These extravagant export subsidies would impose an unsupportable financial burden upon the EU. The distortion that these artificially low prices would place upon the world market, would cause severe hardship to farmers in other countries. This most likely would lead to a rapid rise in protectionism and reduced trade.

Another reason why the EU needed to reform the CAP, was the desire to stabilize the spending on the CAP. This was seen as being necessary as the CAP accounts for approximately half of the entire EU budget and the cost of the CAP was rising. Therefore, reforms were needed in order to halt the steady rise in cost.

The need to reform CAP in order to prepare for the next round of WTO negotiations was also essential. Other countries have been reviewing their agricultural policies and have been identifying actions to take in order to further liberalize trade. This has included deciding what areas of their domestic market to open up, as well as identifying areas that they want other countries to change, in order to comply with the spirit of open trade. One area that Canada (and other countries) has identified as a priority, is the removal of all export subsidies (that distort world trade) and disciplines on export credit.

Since the EU currently uses export subsidies extensively, this is an issue that has to be addressed as there are many nations that want to see these market distorting exports stopped. In order to eliminate the need for these subsidies, the EU would have to overhaul the CAP, particularly reducing intervention prices.

Results of Reform

After extensive negotiations (which had been ongoing since July 1997), the Agricultural Ministers from the Member States met to finalize the details of the agricultural budget and policies on March 11, 1999. After extensive discussions, there were some significant changes and compromises made. This agreed upon package fell short of the reforms proposed. However, it was a significant step in the right direction.

When the Heads of State (of the 15 member countries) met in Berlin, to ratify the details of the EU budget for the next 6 years (the Agenda 2000 negotiations), the French president insisted on reopening the discussions on agriculture. The result of this renegotiation was the watering down of the reforms even further. What had been hailed as the most significant reform of the Common Agricultural Policy ever, was reduced to minor adjustments that have only deferred painful but necessary reform.

Cap Reform

.	**Commission Proposal (as proposed in early 1998)**	**Agriculture Ministers' Agreement (March 11, 1999)**	**Heads of State Agreement (Berlin Summit, March 24-26, 1999)**
Crops			
Intervention Price(2)	Decrease by 20% in one step	20% decrease in two steps	Decrease of 15% in two steps (review in 2002-3)
Compensation (3)	50% of intervention price cut - ie direct payments will increase to 66	The same as Commission proposal	The same, however, a smaller decrease in intervention price means direct payment = 63
Oilseeds	Compensation will decline to level of cereals in 2000	The same except delayed until 2002	The same as Agriculture Ministers. Commission to carefully monitor oilseeds market.
Set-Aside(4)	0% - could increase under exceptional circumstances	10% for first 2 years, then 0% afterwards	10% for entire reform period (2000 - 2006)
Beef			
Support Price	30% reduction in four stages	20% reduction in 3 stages	The same as Agriculture Ministers
Compensation	Increase of direct payment to 80% of the decrease in price support	Same	Same

Intervention	To be replaced by private storage in 2002. Intervention stocks may again be bought if triggered by certain conditions	Same	Same, except that "Commission to follow closely the beef market ... take relevant measures"
Dairy			
Intervention Price	Reduction of 15% in four steps beginning in 2000	Reduction of 15% in three stages beginning in 2003	Reduction of 15% beginning in 2005-6
Quota	Quota system extended to 2006 and quotas increased by 2%	Same	Same
Compensation	90 /head in 2000, increasing to 350 /head in 2003	In 2003 dairy farmers receive 5.75 /t, 11.49 /t in 2004 and 17.25 /t in 2005	No reference made but since reform is postponed to the last year of Agenda 2000, some adjustments will be made

IV. THE EUROPEAN UNION'S AGRI-FOOD MARKET

The European Union is a vast market of 370 million consumers, and is the largest importer of agri-food products in the world. The European Union is Canada's third largest market for agri-food exports (after the U.S. and Japan). However, Canada is only the 10th largest supplier of food products to the EU. Canadian agri-food exports to the European Union totalled $1.7 billion in 1997, or 7.6% of total Canadian agri-food exports ($22.3 billion). This $1.7 billion in exports is only 2% of total European Union agri-food imports totalling $85 billion.

Although the main European Union imports are not produced in or exported from Canada (e.g. coffee, nuts), the European Union does offer many opportunities for Canadian exporters. Currently, our main agri-food exports to the European Union (by product category) consists of oilseeds, grains, and pulses (beans, peas and lentils).

While this may give the impression that bulk crops are really the only type of product that we can effectively compete in, this is not so. There are many other value added products and niche products, that are produced and exported to the EU in considerable quantities. These include cheese, animal fat, horse meat, tobacco, whiskey, mink skins, dog and cat food, and well known products like maple syrup and maple sugar.

Many Canadians believe that Europeans think that Canadian food products are of extremely high quality, but it should be noted that many other food exporting countries have developed programs to inform European consumers that their country is a source of top quality products. These countries, such as the US, Argentina, Brazil, New Zealand, and Australia, have established a significant presence in the EU market already and are very aggressive competitors. Keeping this in mind, Canadian companies that intend to export to Europe, should be prepared to work hard to earn consumer acceptance, and not necessarily expect that they will be successful just because they are from Canada. It will be essential that they be competitive with these other countries that also export food products to the EU.

The European market is important for reasons other than the size of the market. There is a high standard of living, people have relatively high purchasing power and people in general are willing to spend more on quality food products. Therefore, the EU market is a high value market. This market is not necessarily one where the lowest price will be the most successful. In the long run, companies that produce a premium quality product at a competitive price, will have a greater chance of surviving and growing in this market. Targeting this upscale market will allow for considerable growth in value added exports.

In spite of some progress through GATT negotiations in opening up the EU market, many prohibitive tariffs remain for agricultural products once preferential Tariff Rate Quotas have been filled. This often eliminates the cost advantage that Canadian producers of some commodities have, and often makes it more economical for wholesalers and retailers to purchase domestically produced food. It is important to keep this in mind, as we consider the possibility of future EU enlargement. If some of the Central and Eastern European Countries are admitted to the Union (or negotiate favourable trade agreements with the EU), they may displace some Canadian agricultural exports, which face these higher tariff rates. This should be considered, when medium or long term projections are drawn up.

It should be noted that the Member States participate fully in the customs union and the customs trade policies of the EU. The practical outcome of this means that import duties of Member States conform to European Union duties and are equal to the common market for non-European Union goods external tariff (CXT) while tariffs are zero for goods provided from within the EU.

If exporters want to know what the tariff rates are for specific products, we would recommend that you contact the Tariff and Market Access Division of the Department of Foreign Affairs and International Trade. This division keeps up to date with tariff rates world-wide. The address for the Department of Foreign Affairs and International Trade is given in Annex II of this document.

Market Opportunities / Niches for Canadian Exporters

Below are some food products that have potential for increased Canadian exports. It should be remembered that this is a partial list and not a comprehensive one. There are many different factors that will affect the individual product's chances of success in this market.

The following are Canadian exports to the EU that have been increasing in recent years:

- Milk and milk products: cheddar cheese, ice cream, dairy genetics
- Meat and meat products: red meat (however Canada and US losing market share to Australia and NZ), pork offals, hormone-free beef, high quality meats (including Bison meat), other speciality meats such as ostrich, emu, wild boar, horse meat, and frozen hams. Also, animal fats and beef genetics have good potential
- Eggs and Poultry: hatching eggs, goose, turkey, poultry livers, breeding poults, processed eggs
- Beverages: wine, spirits, bottled water and soft drinks
- Grains, oilseeds, cereal products and oilseed products
- Seeds and wild rice
- Baked goods, biscuits and breakfast cereals, corn snacks
- Fruit and vegetables: frozen dry blueberries, cranberries, canned and frozen sweet corn, seed potatoes, fresh apples
- Pulse crops: dry peas, lentils, beans
- Miscellaneous: pet food, animal feeds, food ingredients, coffee substitutes, sugar and confectionary, honey and maple products, raw tobacco, essential oils, oils and fats, mustard seed, canary seed, ginseng, forages

The following list includes many of the food groups that are being imported into the EU from non-EU countries in increasing quantities. These food products come from many different countries. Canadian exporters will only be successful if they can provide these goods at a better value than other countries such as the USA, Argentina, New Zealand and Brazil.

- Cereals in general, including: durum wheat, rye, maize, other cereals except oats
- Pig meat

- Eggs, poultry meat
- Cheese
- Tomatoes
- Raw Tobacco

The demand for non-EU agri-food products is growing faster in some Member States than in others. The Member States that have the most significant growth in demand for non-EU foodstuffs are: Greece, The Netherlands, the United Kingdom, Belgium and Luxembourg, Ireland, Denmark and Portugal. Therefore, it appears that these countries may be ones where Canadian exporters could significantly increase their exports.

V. EUROPEAN UNION IMPORT REQUIREMENTS FOR VARIOUS FOOD SECTORS

Canadian exporters must comply with the European Union's (and Member States') numerous and complex import requirements. The goal of this Guide is to explain the import requirements for key agri-food commodities.

The requirements for agri-food products which have the greatest potential for Canadian exporters are summarized below. You are advised to contact the department of Agriculture of the country of destination to find out about any additional national requirement.

This section of the guide (Food Sectors and Product Categories) is structured as follows;

Generalized information will be presented first, followed by more product specific information. It should be noted that the Veterinary Agreement between Canada and the EU, covers the categories of Milk and Dairy Products, Live Animals, Meat and Meat Products, as well as Fish and Fish Products (this last category is not covered in this guide, more information can be obtained from the Canadian Food Inspection Agency).

Canada - European Union Veterinary Agreement

Canada and the European Union signed a framework agreement at the December 1998 Canada - European Union Summit. This agreement will ultimately facilitate two-way trade in animals, animal products (including milk and dairy products), and fish and fish products, and provides for extending mutual recognition of sanitary measures in the future. The current agreement provides the framework to work towards complete equivalency within these product areas.

This agreement will work in the following manner, the EU recognises that a sanitary measure of Canada is equivalent to the EU's sanitary measures. This happens if Canada objectively demonstrates that its sanitary measure(s), achieves the appropriate level of protection, that the EU

has set for its own domestically produced food products.

The practical meaning of this equivalency is that, when fully implemented, Canadian exporters who meet Canada's domestic health and sanitary standards are also considered to have met the EU's standards. This "de facto" approval leaves exporters free to ship their product to the EU. However, products are still subject to inspection of other requirements and standards. It should be noted, that this agreement is a two way agreement, that also allows easier access to the Canadian market for EU producers and processors.

This Veterinary Agreement is intended to cover a wide range of products. However, at the date of entry into force (December 17, 1998), there are only a few categories that are completely agreed upon as having equivalent sanitary standards. However, many other categories will be examined for equivalency. For some of the different food categories that have been examined, it has been shown that there are only some minor changes that have to be agreed upon, before they are considered equivalent. Therefore, over time it is expected that more and more meat and meat products will have standards that will be fully equivalent, thus facilitating trade between Canada and the EU.

Council Decision 1999/201/EC of 14th December 1998

(OJ L 071 18.03.99 p1)[(5)]

Milk and Dairy Products

In order for a Canadian company to export milk or milk products to the EU, it is necessary that the Canadian company be on the EU's approved list of plants that have met the requirements of the EU's Council *Directive 92/46/EEC*. In order for a Canadian processing company to get on this list, it must follow the guidelines that are set out in Council *Decision 95/408/EC*.

Council *Directive 92/46/EEC* also applies to milk-based products. These are defined as products exclusively derived from milk, where additional ingredients do not replace any milk constituent; and composite milk products of which "milk or a milk product is an essential part either in terms of quantity or for characterization of the product". This definition excludes any product containing a minimal amount of milk or milk product, for example, milk chocolate, biscuits made with butter, cookies, breads, etc.

The European Union recognises that Canada's standards for animal health is equivalent to the EU standards. However, there are differences in the standards affecting public health. In order to export pasteurised milk, non pasteurised milk (thermised only), and raw milk (as well as products derived from milk), to the EU, a health certificate must be filled out by the Canadian Food Inspection Agency (CFIA).

This certificate must contain the name of the country of origin (Canada), the approval number of the exporting establishment, also if the products have been manufactured from raw milk without any heat treatment, this certificate must state, 'from raw milk.' Additionally, a best before date must be used for milk-based products that have some microbial development.

For milk and milk-based products not for human consumption (under the new Veterinary Agreement), milk and dairy products exported to the EU will be accompanied by a health certificate stating that, 'The live animals or animal products herein described, comply with the relevant Canadian standards and requirements which have been recognised as equivalent to the European Community standards and requirements as prescribed in the Canadian / EC Veterinary

Agreement. Specifically in accordance with Health of Animals Act and Regulations, section 34 and the Food and Drug Act and Regulations, section B008).' This certificate must be signed by a representative of the Canadian Food Inspection Agency (CFIA).

Un-pasturised colostrum for pharmaceutical use, needs to be evaluated further before determining if the Canadian and EU standards are equivalent. Currently trade may occur if the Canadian exporter meets the EU's requirements. These requirements are as follows:

The container in which the colostrum is transported in, must be marked to indicate what the product is. Also, a health certificate must accompany the shipment which shows that the colostrum was heated to 71.7^{o}C for at least 15 seconds (or an equivalent combination).

From the above data, it would appear that the dairy sector appears to have relatively easy access to the EU market. This is not the case. There are high tariff rates in place for milk and dairy products. This results in most Canadian products being priced out of the market.

There are low tariff rate quotas that have been allocated, allowing a certain amount of dairy products to be imported. However, these are granted to companies that have traditionally exported to Europe. Therefore, for new exporters, it is necessary to purchase this quota from a processor that currently owns this "right to export."

There is specific legislation for partly and wholly dehydrated milk. Council *Directive 76/118/EEC* defines these products and lays down the rules for these products. These products are defined in the following way;

- partly dehydrated milk - this means the liquid product obtained directly by the partial removal of water from milk, from wholly or partly skimmed milk, or from a mixture of these products, which may have an admixture of cream or of wholly dehydrated milk or of both, the addition of wholly dehydrated milk not to exceed, in the finished product, 25% of the total milk solids; however, Member States may maintain in their territory any ban on the use of wholly dehydrated milk in the production and marketing of partly dehydrated milk, if the ban existed prior to 1 October 1974.
- Wholly dehydrated milk - this means the solid product whose moisture content is not more than 5% by weight in the finished product obtained directly by the removal of water from milk, wholly or partly skimmed milk, cream or from a mixture of these products.

This directive applies to partly or wholly dehydrated milk that is preserved; by sterilization through heat treatment, by the addition of sucrose, or by dehydration. This legislation specifies the names under which these products may be marketed, as well as the products which are permitted to be used in the production of this dehydrated milk. Additionally, the labelling requirements that are to be used on these products is also laid out.

Directive 76/118/EEC of 18th December 1975 and subsequent amendments
(OJ L 024 30.01.76 p49)

Directive 92/46/EEC of 16th June 1992 and subsequent amendments
(OJ L 268 14.09.92 p1)

Directive 92/118/EEC of 17th December 1992 and subsequent amendments
(OJ L 062 15.03.93 p49)

Decision 95/408/EC of 22nd June 1995 and subsequent amendments

(OJ L 243 11.10.95 p17)
Live Animals, Meat and Meat Products

(a) General EU Regulations Regarding Meat

(a.1) General Information

In the interest of brevity, the requirements that are common to both the Canadian and EU inspection system will not be included in this document. In this way, redundant information will not be repeated. For those plants that are not federally inspected (are provincially inspected), and want more information on Canada's federal requirements, this information can be received from the Canadian Food Inspection Agency (CFIA). It should be noted that much of the information in this section has been extracted from chapter 11 of the *Meat Hygiene Manual of Procedures*. This is a CFIA publication and can be found at the following website, http://www.cfia-acia.agr.ca/english/animal/meat/mmop/main.html

Meat and meat products from the following species are eligible for imports into the EU; bovine animals (including bison), sheep, goats, swine, and domestic solipeds, as well as poultry meat.

It should be noted that the EU currently does not allow imports of bovine meat from countries that have approved use of certain growth promoting hormones, unless it can be demonstrated that this meat originated from animals that have not been treated with growth promoting hormones. Canada and the EU have concluded a Hormone Free Protocol under which Canadian hormone-

free beef can be exported to the EU. For further information on the Protocol or to obtain a copy, exporters should contact the Canadian Food Inspection Agency (CFIA).

A Tariff Rate Quota (TRQ) of 11,500 tons of high quality beef is available for Canadian (and American) exporters under which the applicable tariff is 20%. This quota is available only to those producers/processors who can show that their meat does not come from animals that have been treated with hormones. Currently, bison meat is being exported under this category.

While this measure regarding the use of hormones is applied to all meats, its preeminent impact has been in the beef sector.

Definitions

The following definitions are taken from Council *Directive 91/497/EEC*. They have been included, in order to clarify some of the terms that will be used throughout this sector on meat products.

meat: means all parts of domestic bovine animals (including the species *Bulbalus bubalis* and *Bison bison*), swine, sheep, goats, and solipeds which are suitable for human consumption;

fresh meat: means meat, including meat vacuum-wrapped or wrapped in a controlled atmosphere, which has not undergone any treatment other than cold treatment (including freezing) to ensure preservation;

mechanically recovered meat: means meat obtained by mechanical means from flesh-bearing bones apart from the bones of the head, the extremities of the limbs below the carpal and tarsal joints and, in the case of swine, the coccygeal vertebrae, and intended for establishments approved in accordance with *Article 6 of Directive 77/99/EEC*;

carcass: means the whole body of a slaughtered animal after bleeding, evisceration and removal of the limbs at the carpus and tarsus, removal of the head, tail and the udder, and in addition, in the case of bovine animals, sheep, goats, and solipeds, after flaying. However, in the case of pigs, removal of the limbs at the carpus and tarsus and removal of the head may be waived where the meat is intended for treatment in accordance with *Directive 77/99/EEC*;

offal: means fresh meat other than that of the carcass as defined above, even if it remains naturally connected to the carcass;

viscera: means offal from the thoracic, abdominal, and pelvic cavities, including the trachea and oesophagus;

meat products: products prepared from or with meat which has undergone treatment such that the cut surface shows that the product no longer has the characteristics of fresh meat;

treatment: chemical or physical process such as heating, smoking, salting, marinating, curing or drying, intended to lengthen the preservation of meat or animal products whether or not associated with other foodstuffs, or a combination of these various processes;

establishment: means an approved slaughterhouse, an approved cutting plant, an approved cold store, or a unit grouping together several such establishments;

wrapping: means the protection of fresh meat by the use of an initial wrapping or initial container in direct contact with the fresh meat concerned and the initial wrapper or initial container itself;

packaging: means the placing of wrapped fresh meat in a second container and the latter container itself.

Directive 77/99/EEC of 21st December 1976 and subsequent amendments
(OJ L 026 31.03.77 p85)

Directive 91/497/EEC of 29th July 1991
(OJ L 268 24.09.91 p69)

(a.2) Import Prohibitions or Restrictions

- Fresh meat from boars or cryptorchid pigs
- Fresh meat treated with ionising or ultraviolet radiation, or fresh meat treated with tenderisers;
- Fresh meat from animals with any form of tuberculosis;
- Fresh meat containing residues of hormonal substances, antibiotics, pesticides or other harmful substances in amounts that exceed the permitted levels;
- Fresh meat treated with banned hormonal substances.
- Fresh meat from animals slaughtered too young;
- Parts of the carcass or offal that have traumatic lesions
- Blood
- Mince meat and mechanically recovered meat
- Fresh meat in pieces smaller than 100g
- The heads of cattle, except for the tongue.
- Only meat coming from an establishment approved by the EU will be accepted into the EU. If a product is shipped to another plant for further processing, then both that plant and the original slaughterhouse must be on the list of plants approved by the EC *Decision C(97)247 of February 10, 1997*.

Decision C(97)247 of 10th February 1997

(a.3) Plant Approval Process

- The operator (of the plant) must make a formal request to the Regional Director General of the CFIA.
- A regional veterinary officer (RVO) will inspect the premises to see if the establishment would meet the EU requirements. The results of the inspection would be made available to the operator. If the RVO feels that the facilities, product preparation, and inspection are in compliance with EU standards, and the operator is willing to comply with all necessary requirements, the RVO will recommend that a National Veterinary Supervisor (NVS) do a pre-EU review.
- The NVS will review the plant
- If the CFIA believes that the plant meets the EU requirements, then the director of the Meat and Poultry Products Division (of the CFIA) will make a formal recommendation to the EU authorities.
- An EU reviewer may inspect the establishment.
- After the plant is approved, the Meat and Poultry Products Division will inform all the parties that need to know about the plant's approval, that the plant has been approved.

- Approved plants are subject to periodic review by an EU inspector.

(a.4) Certification

All exports of meat products to the EU, must be accompanied by a "Certificate of Inspection Covering Meat Products (AGR 1454)" as well as an AGR 1480 form. These forms are issued by the CFIA for each shipment of meat or meat products. In addition to this, the EU requires that all shipping containers must be sealed with a health mark when it is packaged. This health mark is only to be applied to products that completely meet the EU requirements.

(a.5) Importing into the European Union

- Inspection

Consignments of fresh meat may only be imported into the EU through specific border inspection posts. Once they have been approved for entry into the EU, the products can move from one Member State to another.

- Documentation

1. Certificate: each consignment must be accompanied by a certificate in accordance with the European Commission *Decision 80/804/EEC* and its amendments taken under the Council *Directive 72/462/EEC*, signed by an official veterinarian of the Government of Canada (ie. the Canadian Food Inspection Agency). The certificate must state the following:

Details of consignment (animal species, nature of cuts, nature of packaging, number of pieces or packages, net weight); address and veterinary approval number of approved slaughterhouse, cutting plants and cold stores; and destination of meat (place of loading, country and place of destination, means of transport, names and addresses of consignor and consignee).

2. Health Attestations, signed by an official veterinarian, and completed in a prescribed manner.

3. Public health certificate

Each consignment must be accompanied by a certificate in accordance with the terms of Council *Directive 72/462/EEC* on health problems affecting imports of fresh meat from Canada signed by an official veterinarian of the Government of Canada (the CFIA), stating the same information as in paragraph 1 above.

- Marking, packaging and labelling

Please refer to the *"Canadian Exporters' Guide to Food Labelling and Packaging Requirements of the European Union.*" This publication is available in English at http://atn-riae.agr.ca/public/htmldocs/e1429.htm
and is available in French at http://atn-riae.agr.ca/public/htmldocs/f1429.htm

- Duty and taxes

To find out the specific duties that are applied to meat products entering the European Union, we would recommend that you contact the Tariff and Market Access Division of DFAIT as mentioned in section IV.

Directive 72/462/EEC of 12th December 1972 and subsequent amendments
(OJ L 302 31.12.72 p28)

Decision 80/804/EEC of 25th July 1980 and subsequent amendments
(OJ L 236 09.09.80 p25)

(b) Live Animals

(b.1, b.3) Bovine Animals and Swine

According to Council *Directive 72/462/EEC*, when exporting bovine animals (cattle) and swine to the EU it is necessary that the animals must come from countries (or regions of countries) that are free from any disease to which the animals are susceptible. The EU will only accept the importation of bovine animals or swine, if they are accompanied by a certificate that is drawn up by the Canadian Food Inspection Agency. When these animals arrive in a Member State, they will undergo a health inspection by an official veterinarian.

Commission *Decision 83/494/EEC* authorizes imports of cattle or swine specifically from Canada, subject to certain restrictions and guarantees of health.

Directive 72/462/EEC of 12th December 1992 and subsequent amendments
(OJ L 302 31.12.72 p28)

Decision 83/494/EEC of 27th September 1983 and subsequent amendments
(OJ L 273 06.10.83 p37)

(b.2) Poultry and Hatching Eggs

For live poultry and hatching eggs, it is necessary, according to *Directive 90/539/EEC*, that these come from countries that are on an approved EU list (Canada is on this list). These countries must be free from avian influenza and Newcastle disease. These birds and/or eggs must be from flocks that are healthy. Poultry and hatching eggs must be accompanied by a certificate from a veterinarian of the CFIA.

Directive 90/539/EEC of 15th October 1990 and subsequent amendments
(OJ L 303 31.10.90 p6)

(b.4) Horses

According to Council *Directive 90/426/EEC*, when importing horses or other solipeds to the EU, it is necessary that these animals be disease free. As well, they must be from countries or regions of countries that are free of diseases such as African horse sickness, Venezuelan equine encephalomyelitis, dourine and glanders. Canada has been listed as an approved country for exports of horses. If the horses are registered horses, they must be identified in accordance with *Directive 90/427/EEC*. These horses that are exported, must be accompanied by a certificate that is drawn up by the CFIA.

Directive 90/426/EEC of 26th June 1990 and subsequent amendments
(OJ L 224 18.08.90 p42)

Directive 90/427/EEC of 26th June 1990 and subsequent amendments
(OJ L 224 18.08.90 p55)

(c) Fresh and Frozen Meat

(c.1) Beef - Special Commodities

Under access arrangements that have been negotiated in the General Agreement on Tariffs and Trade, "high quality" Canadian beef is permitted to be imported (at a reduced tariff rate of 20%) into the EU. This "high quality" beef must be covered by a "Certificate of Authenticity" issued by the CFIA. This high quality beef is defined in the following two ways:

a. Carcasses or any cuts from cattle not over 30 months of age which have been fed for 100 days or more on a nutritionally balanced, high energy feed concentration containing no less than 70 per cent grain, and at least 20 pounds of total feed per day.

It is understood that Canadian beef Grades AA, AAA and Prime, automatically meet the definition above. The Canada Choice grade would also meet this standard.

b. Beef quarters, wholesale cuts, boneless primal and subprimal cuts or portioned steaks from carcasses that have the following characteristics:

- minimum external white fat covering over the ribeye muscle at the 12th rib of 0.4 inch to 0.9 inch.
- Carcass weight of 273 to 386 kg.
- minimum ribeye area at 12th rib 9 square inches.
- Maximum age - 30 months
- Intermuscular fat (in ribeye muscle) must be at least 6%
- Lean meat must be a bright, cherry red colour when the carcass is cut.
- Fresh chilled carcasses or cuts must have an internal temperature of no more than 4 ^{o}C .

In the case of bison meat, the EU recognises Grades A1, A2, and A3 as being high quality bovine meat and therefore suitable for export under the tariff free quota. When shipping high quality beef to the EU, it is essential to remember that this meat must be **hormone free** in order to enter the EU.

(c.2) Pigmeat

In order to export pigmeat to the EU, it must be tested for trichina in accordance with *Directive 77/96/EEC*. Additionally, meat must come from a country that is on an approved list of third countries who can ship to the EU. Canada is on this list.

Directive 77/96/EEC of 21st December 1976 and subsequent amendments
(OJ L 026 31.01.77 p67)

(c.3) Poultrymeat

Poultrymeat must come from a country, such as Canada, that is on the EU's list of third countries that are eligible to ship products to the EU. These countries must be free from avian influenzia and Newcastle disease. When poultry meat is imported into the EU from Canada, it must be

accompanied by a health certificate that is drawn up by a veterinary from the CFIA. The European Commission may decide that imports from a third country like Canada should be restricted to poultrymeat of certain species.

(c.4) Sheep and Goat Meat

Sheepmeat and goatmeat imports fall under *Directive 72/462/EEC*. Therefore the conditions that are laid out for bovine meat apply to sheep and goat meat. Since hormones are not used in the raising of sheep and goats, they do not face the blanket ban that has been imposed upon bovine meat.

Directive 72/462/EEC of 12th December 1972 and subsequent amendments
(OJ L 302 31.12.72 p28)

(c.5) Horsemeat

In order to export horse meat to the EU, it must be tested for trichina in accordance with *Directive 77/96/EEC*. This is necessary as horsemeat is often eaten raw and therefore presents an increased risk to human health.

Directive 77/96/EEC of 21st December 1976 and subsequent amendments
(OJ L 026 31.01.77 p67)

(c.6) Farmed Game Meat

There are many different species that are considered Farmed Game. These include both game birds and game animals. The farmed game birds mean, quail, pigeons, pheasants, partridges, and any other game birds with the **exclusion** of fowl, turkeys, guinea fowl, ducks, geese and ratitae. The farmed game animals include cloven hoofed game (including wild swine) and rabbit/hare meat.

Testing has to be done for trichina in species that are susceptible to trichina, for example, farmed wild swine.
Directive 91/495/EEC of 27th November 1990 and subsequent amendments
(OJ L 268 24.09.91 p41)

Decision 97/219/EC of 28th February 1997
(OJ L 088 03.04.97 p45)

(c.7) Wild Game

There are many different wild game species that may be imported into the EU. The relevant EU legislation relating to wild game is *Directive 92/45/EEC* and *Decisions 97/218/EC and 97/220/EC*. However, in addition to the EU legislation, the Canadian Government has strict controls of the export of wild animals. For more information on this, see section VI, CANADIAN EXPORT REQUIREMENTS, RESTRICTIONS AND CONTROLS for information on Environment Canada's regulations.

Directive 92/45/EEC of 16th June 1992 and subsequent amendments
(OJ L 268 14.09.92 p35)

Decision 97/218/EC of 28th February 1997 and subsequent amendments
(OJ L 088 03.04.97 p25)

Decision 97/220/EC of 28th February 1997 and subsequent amendments
(OJ L 088 03.04.97 p70)

(d) Other Animal Products

According to Council *Directive 92/118/EEC*, the importation of animal products is dependant upon the shipment being accompanied by a health certificate. This certificate must be signed by a veterinarian from the Canadian Food Inspection Agency (CFIA).

Commission *Decision 97/534/EC* states that in order for products of animal origin to be imported into the EU, there must be a signed declaration (by the CFIA) that "the product does not contain and is not derived from specified risk material as defined in Commission *Decision 97/534/EC* or mechanically recovered meat obtained from the vertebral column of bovine, ovine or caprine animals (sheep or goats)."

The "specified risk material" that is referred to is the skull, including the brain and eyes, tonsils and spinal cord of bovine, ovine and caprine animals over 12 months old, as well as the spleens of ovine and caprine animals. This requirement has been implemented as a precautionary response to the "mad cow disease"that recently devastated the European beef industry.

Directive 92/118/EEC of 17th December 1992 and subsequent amendments
(OJ L 062 15.03.93 p49)

Decision 97/534/EC of 30th July 1997 and subsequent amendments
(OJ L 216 08.08.97 p95)

(d.1) Minced Meat and Meat Preparations

According to *Decision 97/29/EC* and *Directive 94/65/EC*, the importation of minced meat and meat preparations is restricted to meat obtained from bovine animals, pigs, sheep and goats. This meat cannot be produced from the heart muscle, scrap cuttings/trimmings, or from mechanically recovered meat. *Decision 1999/201/EC* expressly stipulates that there is to be no trade in minced meat from horses, poultry, wild game, and farmed game. For minced meat and meat preparations coming from pigs, the meat must have been examined for the presence of trichinae.

When shipping these products to the EU, they must be accompanied by a declaration (in addition to the health certificate) signed by an official veterinarian from the CFIA, stating that the minced meats fulfill the requirements that have been laid down in *Directive 94/65/EC* and have been deep-frozen at the production plant. This directive also covers raw sausages as long as the characteristics of red meat are maintained. However, if these sausages are salted or treated with seasonings/additives, then *Directive 77/99/EEC* applies.

Directive 77/99/EEC of 21st December 1976 and subsequent amendments
(OJ L 026 31.01.77 p85)

Directive 94/65/EC of 14th December 1994 and subsequent amendments
(OJ L 368 31.12.94 p10)

Decision 97/29/EC of 17th December 1996 and subsequent amendments
(OJ L 012 15.01.94 p33)

Decision 1999/201/EC of 14th December 1998 and subsequent amendments
(OJ L 071 18.03.99 p1)

(d.2) Casings

The Directives and Decisions that are cited in this section apply to both casings intended for human consumption as well as casings not intended for human consumption.

The health certificate from the CFIA must state that, the product comes from a plant that is approved by the CFIA, the casings have been cleaned, scraped and either salted or bleached (or as an alternative to salting or bleaching, that they have been dried after scraping). In addition, it must be shown that steps were taken to prevent the casings from becoming re-contaminated.

In order to export to the EU, the shipment must be accompanied by a declaration stating that the shipment complies with *Decision 97/534/EC*, in that it does not contain specified risk material.

Directive 92/118/EEC of 17th December 1992 and subsequent amendments
(OJ L 062 15.03.93 p49)

Decision 94/187/EEC of 18th March 1994 and subsequent amendments
(OJ L 089 06.04.94 p18)

Decision 97/534/EC of 30th July 1997 and subsequent amendments
(OJ L 216 08.08.97 p95)

(d.3) Lards and Rendered Fats

These products can be imported into the EU from countries that are on a list of approved third countries. Canada is currently an approved country. However, if there has been an outbreak of a serious transmissible disease in the previous 12 months, then each consignment must be accompanied by a certificate that states that the lard/fats have been subject to heat treatment of 70^{o}C for 30 minutes, or 90 ^{o}C for 15 minutes or 80 ^{o}C in a continuous rendering system.

When shipping to the EU, the rendered lard/fats must be packaged in new containers. If the lard or fat is shipped in bulk transport, the bulk transport containers must be clean.

In accordance with Commission *Decision 97/534/EC* dealing with "specified risk material," the import of these materials (such as the brain, eyes, tonsils and spinal cord of bovine animals, sheep and goats) into the EU is banned. Therefore, if rendered lard or fats are imported to be used as food or animal feedstuffs they must be accompanied by a declaration (in addition to a health certificate), stating that, "the product does not contain, and is not derived from, specified risk material as defined in Commission *Decision 97/534/EC* or mechanically recovered meat obtained from the vertebral column of bovine, ovine (sheep) or caprine (goats) animals."

If these products are used in medical, pharmaceutical, or cosmetic products, they are accompanied by a declaration which is signed by the competent authority of the country of production. This states that "the product does not contain, and is not derived from, specified risk material as

defined in Commission *Decision 97/534/EC*."

Directive 92/118/EEC of 17th December 1992 and subsequent amendments
(OJ L 062 15.03.93 p49)

Decision 97/534/EC of 30th July 1997 and subsequent amendments
(OJ L 216 08.08.97 p95)

(d.4) Semen and Embryos

According to Council *Directive 88/407/EEC* and its subsequent amendments, the Member States may authorize imports of bovine semen from countries that are on a list of third countries. Currently Canada is approved as an accepted third country. This semen can come only from collection centres that are approved by the EU. When shipping semen to the EU, the shipment must be accompanied by an animal health certificate provided by the CFIA.

According to Council *Directive 92/65/EEC*, sheep and goat semen, ova, and embryos have to be collected and processed in a holding that satisfies the requirements of *Directive 91/68/EEC* (these requirements deal mainly with the fact that the holding has to be disease free). In addition, the animals must undergo tests to detect brucellosis, contagious epididymitis and a test for the Border disease virus. These tests must all be negative.

Commission *Decision 96/539/EC* outlines the health conditions and certification requirements for imports of horse semen. Council *Directive 90/429/EEC* and Commission *Decision 93/199/EEC* provide health conditions and certification requirements applicable to imports of swine semen.

Directive 88/407/EEC of 14th June 1988 and subsequent amendments
(OJ L 194 22.07.88 p10)

Directive 90/429/EEC of 26th June 1990 and subsequent amendments
(OJ L 224 18.08.90 p62)

Directive 91/68/EEC of 28th January 1991 and subsequent amendments
(OJ L 046 19.02.91 p19)

Directive 92/65/EEC of 13th July 1992 and subsequent amendments
(OJ L 268 14.09.92 p54)

Decision 93/199/EEC of 19th February 1993 and subsequent amendments
(OJ L 086 06.04.93 p43)

Decision 96/539/EC of 4th September 1996 and subsequent amendments
(OJ L 230 11.09.96 p23)

(d.5)Hides and Skins

The EU allows hides and skins to be imported into the EU. However, if a country is not allowed to ship meat and meat products (of a particular species) to the EU, the hides of that species will not be permitted entry either. As with other animal products, the hides or skins must be accompanied by an animal health certificate. At this point in time, Canada is free to ship meat from all major livestock species to the EU under certain conditions. Therefore Canada is eligible

to export these animals hides and skins.

Decision 97/168/EC of 29th November 1996
(OJ L 067 07.03.97 p19)

Beverages

Beverages make up a large component of Canada's exports to the EU. These include water, non-alcoholic beverages, whiskies and fruit and vegetable juices. Over the past few years, this segment has grown rapidly and now accounts for over $50,000,000 in exports. This is an area with huge potential, especially in the bottled water market.

(a)Water

(1) Waters not containing sugar or sweetening
(2) Waters containing sugar or sweetening (lemonade, cola, etc.)
(3) Waters which are medicinal products

(b) Fruit Juice

(c) Spirit Drinks

(d) Beer

(a1) Waters not containing sugar or sweetening

In order for a Canadian company to sell bottled water in the EU the spring must be approved by the CFIA and subject to their inspections. The spring (or outlet) must be protected against the risks of pollution, the equipment for exploiting the water must be installed in such a way as to avoid any possible contamination. In particular the pipes, reservoirs, etc must be made of materials that are suitable for water and are constructed in a manner that prevents chemical, physico-chemical, or microbiological alteration of the water. In addition, the bottling plant must have high hygiene requirements. The water must not be transported in containers other than those that are authorized for distribution to the final consumer. If the water (source) becomes polluted, the bottling of this water must be suspended until the source of pollution is eradicated and the water complies with the health requirements set out in Council *Directive 80/777/EEC*. This directive also sets out the microbiological requirements. It is also essential that any containers used in packaging the water, must "be fitted with closures" that are designed to avoid any contamination or adulteration.

In the EU, bottled water can be marketed as 'natural mineral water' or as 'spring water.' 'Natural mineral water' means microbiologically wholesome water originating in an underground water table or deposit and emerging from a spring tapped at one or more natural or bore exits. Natural mineral water can be clearly distinguished from ordinary drinking water by it's nature (it is characterized by it's mineral content, trace elements or other constituents) and by its original state. These characteristics have been preserved because of it's underground origin which has been protected from all risk of pollution.

Labels on natural mineral water must include the following mandatory information:

- a statement of the analytical composition that gives it's characteristic constituents

- the name of the place where the spring is exploited and the name of the spring
- information on any treatment carried out to remove iron, manganese and sulphur compounds as well as arsenic and other constituents of the water.

When selling natural mineral water, the name of a locality, hamlet or place may occur in the wording of a trade description provided that it refers to a natural mineral water the spring of which is exploited at the place indicated by that description and does not mislead regarding the place where the spring is exploited. *Directive 80/777/EC* forbids marketing natural mineral water from the same spring under more than one trade description.

Water sold as 'spring water' must be reserved for water which is intended for human consumption in its natural state, and is bottled at its source. It must comply with the standards set forth in the first paragraph as well as the following labelling requirements:

- the name of the place where the spring is exploited and the name of the spring
- information on any treatment carried out to remove iron, manganese and sulphur compounds as well as arsenic and other constituents of the water.

In addition to these rules, spring water (not natural mineral water) shall comply with the provisions of Council *Directive 80/778/EEC* relating to the quality of water for human consumption.

Directive 80/777/EEC of 15th July 1980 and subsequent amendments
(OJ L 229 30.08.80 p1)

Directive 80/778/EEC of 15th July 1980 and subsequent amendments
(OJ L 229 30.08.80 p11)

Directive 96/70/EC of 28th October 1996 and subsequent amendments
(OJ L 299 23.11.96 p26)

(a2) Waters containing sugar or sweetening (lemonade, cola, etc.)

This sector, unlike the other beverage groups, does not have specific legislation (known as vertical legislation) that applies only to this group of soft drinks. However, the general EU legislation (horizontal legislation) applies. This means that *Directive 79/112/EEC* is the legislation that contains the required information on the labelling, presentation and advertising of these beverages.

Directive 79/112/EEC of 18th December 1978 and subsequent amendments
(OJ L 033 08.02.79 p1)

(a3) Waters which are medicinal products

This product comes under the legislation outlined in Section (I.b). That is; the Nutritional Supplements sector, sub-sector Medicinal Products.

(b) Fruit Juice

In order to export fruit juices and related products to the EU, it is necessary to comply with Council *Directive 93/77/EEC.* This directive deals with fruit juice, fruit juice concentrate, fruit nectar and dried fruit juice intended for direct consumption, concentrated fruit juice used for the

production of fruit juice or nectar intended for direct consumption and fruit juice used for the production of fruit nectar intended for direct consumption. It should be noted that this directive does not apply to foodstuffs that are intended for particular nutritional uses (for these products see section I.a). It should also be noted that tomatoes are not considered to be a fruit.

This directive specifies such things as the amounts and types of sugars that can be added to the fruit juice, the types treatments permitted (i.e. ascorbic acid or carbon dioxide added), the physical processes allowed and rules regarding labelling, which differ from the generic labelling rules laid down in *Directive 79/112/EC*. This directive (*Directive 93/77/EEC*) does **not** affect national provisions that allow for such things as vitaminization of these products.

Directive 79/112/EC of 18th December 1978 and subsequent amendments
(OJ L 033 08.02.79 p1)

Directive 93/77/EEC of 21st September 1993 and subsequent amendments
(OJ L 244 30.09.93 p23)

(c) Spirit Drinks

When shipping spirit products to the EU, it is permissible to include the name of origin of a spirit drink that comes from a third country, if that country is a member of the General Agreement on Tariffs and Trade (GATT). There are regulations that prohibit products to be sold under a geographical name which do not originate in the place referred to by the geographical designation that is given. Therefore producers selling a product under a geographical title (that had been recognized by the EU), would have to ensure that it was produced in that region. These regulations, along with many definitions of the different categories of spirit drinks and related requirements, appear in Council *Regulation 1576/89/EEC*.

Regulation 1014/90/EEC clarifies some of these rules as well as adding new rules relating to grape marc spirit , fruit marc spirit, fruit spirit and liqueur. The *Regulation 3378/94/EEC* requires that Member States comply with the Agreement establishing the World Trade Organization, in taking measures against the unlawful use of geographical designations.

Regulation 1576/89/EEC of 29th May 1989 and subsequent amendments
(OJ L 160 12.06.89 p1)

Regulation 1014/90/EEC of 24th April 1990 and subsequent amendments
(OJ L 105 25.04.90 p9)

Regulation 3378/94/EEC of 31st December 1994 and subsequent amendments
(OJ L 366 31.12.94 p1)

(d) Beer

At the current time there is no common EU wide legislation covering beer. Therefore, this type of product still falls under the authority of the national governments. In view of this, it is advisable to contact the Canadian Embassy in the Member States before exporting. While this is a product that comes under national legislation, it appears that most of the different countries' national legislation is based on the EU Council *Directive 79/112/EEC* (the EU's basic legislation regarding labelling). However, some of the EU countries have additional requirements that must be met. The EU is currently working on legislation that will standardize the labelling requirements relating to the listing of ingredients. It is not known when this will be completed.

Directive 79/112/EEC of 18th December 1978 and subsequent amendments
(OJ L 033 08.02.79 p1)

Continue

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Agriculture and Agri-Food

Guide to the European Union's Regulatory Requirements Facing Canadian Agri-Food Exports

(Continued)

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(a) Cereals

This section excludes wheat (including durum) and barley since they fall under the Canadian Wheat Board's (CWB) exclusive jurisdiction for exports

One major impediment to exporting cereal crops to the EU, are the high import tariff rates that are imposed. These tariff rates for wheat (inc. durum), rye, barley, maize, and sorghum are applied in a manner so that the price of the cereals will not be greater than the effective intervention price plus 55% (the intervention price is the price floor that the EU sets for its farmers). Therefore, every time that there is a change in the world price, the EU changes its tariff rates, so that the final import price is equal to the intervention price plus 55%. For buckwheat, millet, canary seed and other cereals, the tariff rate is set on a more permanent basis.

Worked oats falling under CN code 1104 22 98 can be imported into the EU duty free under a tariff rate quota of 10 000 tonnes. This code refers to "other worked oats" which does not include hulled (shelled or husked), sliced, kibbled or pearled oats. In order to import under this TRQ, an application for an import licence must be made by the importer in accordance with Commission *Regulation 2369/96*. The application for the import licence is admissible subject to the following conditions:

- the application relates to a maximum of 350 tonnes of oats to be imported;
- where the application is submitted by an agent, it should contain the name and address of the operator;
- the application includes:

- proof that the applicant is a natural or legal person who has exercised a commercial activity in the cereals sector for at least 12 months and is registered in the Member State in which the application is submitted,

- proof that a security of ECU 5 per tonne has been lodged with the competent authority of the Member State concerned, the security serving to establish the applicant's good faith (released on the issue of the licence),

- a written statement by the applicant certifying that he has submitted only one application.

Applications for import licences must be submitted to the competent authorities of any Member State on the second Monday of each month. Licences are valid for 45 days. Commission *Regulation 2369/96* explains the specific entries required on the import licence.

Regulation 2369/96 of 12th December 1996 and subsequent amendments
(OJ L 323 13.12.96 p8)

(b) Oilseeds

The EU does not have any import tariffs on oilseeds. Therefore Canadian producers can compete effectively in the EU market.

There is however, one significant barrier to selling oilseeds to the EU. At the present time many genetically modified canolas produced in Canada are not yet approved in the EU. Therefore Canadian canola, in the absence of segregation, cannot be imported into the EU. In addition, European consumers are reluctant to accept products that are genetically modified resulting in many grocery retailers and manufacturers removing GMO foods from their shelves. It is significant that while Canadian canola has in effect been shut out from the EU market, exports of Canadian soybeans has increased. This can be attributed to the fact that some producer groups have adopted segregation for the soybeans that go to the EU market. While it is possible in the long term, conditions will improve for these genetically modified cultivars; in the short term,

producers will have to consider adopting a policy such as segregation if they want to keep and expand their market in the EU.

(c) Wild Rice

When wild rice is imported into the EU, it falls under the classification of "other cereals." This category, CN code 1008 90 in Commission *Regulation 2261/98/EC* (the Regulation which outlines the tariff rates that are imposed on products entering the EU), is significant because it is not treated the same as the rice categories. The most important difference in these classification groups is the differing rate of import tariffs. The import tariff rate for "other cereals" (which includes wild rice) is extremely low when compared with the other rice categories. For example, the tariff rates on many of the rice categories is 5 - 10 times greater than on the wild rice.

An additional benefit to selling this wild rice in the EU, is that wild rice from Canada is a high value niche product, that does not compete directly with other rice varieties while receiving a premium price. This leaves room for significant growth in Canadian exports as Canadian producers have lower tariffs to pay on their exports (in comparison to "normal" rice) while receiving a higher price, therefore creating a larger profit margin.

It should be noted however, that for those who sell their wild rice as organic rice (as many producers do), that the EU will be reviewing Canada's new national organic standards, and therefore difficulties may be encountered in the short term, until the EU has accepted the Canadian standards as being equivalent to the EU organic standards. It is expected that the EU will likely have approved Canada's new national organic standards by September 2000.

Regulation 2261/98/EC of 26th October 1998
(OJ L 292 30.10.98 p1)

(d) Seeds for Sowing

General Comments

The following legislation of the EU applies to seeds of agricultural production and does not apply to seeds of ornamental varieties. All seeds (with the exception of these ornamental varieties) may only be imported into the EU from varieties that are listed on the EU Common Catalogue or the National Catalogue of varieties of agricultural plant species of that Member State. In order to get on these lists, there is a lengthy testing process that has to be undergone before a company or an individual can have their variety of seed listed. The legislation that deals with this Common Catalogue of Varieties of Agricultural Plant Species, is Council *Directive 70/457/EEC*. The Common Catalogue is compiled on the basis of the National Catalogues of the Member States. The Member States can decide that the acceptance of a variety for inclusion in the catalogue of another Member State, or in the Common Catalogue, is equivalent to acceptance for inclusion in their own catalogue.

In order for a variety to be accepted in a Member State's catalogue, it must be distinct, stable and sufficiently uniform. Additionally, the variety must be of satisfactory value for cultivation and use. In order for a variety to be regarded as distinct, it must be clearly distinguishable on one or more important characteristics from any other variety known in the European Community. These characteristics must be capable of being precisely recognised and defined.

When application is made for accepting a new variety, the applicant must indicate if acceptance has been requested in another Member State and if that request was granted. The variety must be

known in all Member States by the same name. If a different name is used in another Member State, that name must also be indicated in the catalogue.

After a variety has been accepted in the EU, it's acceptance is valid for ten years. Application can be made for this to be extended provided that the variety still satisfies all of the requirements. An application to extend the acceptance of the variety must be made at least two years in advance of the expiry of the acceptance.

The EU requires that seeds imported into the EU from third countries must come from countries that are regarded as having equivalent standards for seed production, including inspection systems. According to Council *Decision 95/514/EC*, Canada is allowed to produce seed of the following categories for the EU;

- Fodder plant seed
- Cereal seed
- Oil and Fibre plant seed

In addition, according to Commission *Decision 1999/50/EC*, Canada can export seed potatoes to the southern European countries of Greece, Spain, Portugal and Italy as long as the potatoes come from Prince Edward Island or New Brunswick. These two provinces have been granted an exception from the EU's ban on all seed potatoes coming from North America. Nevertheless, stringent controls are required. The CFIA should be consulted. This exception permitting these two provinces to export, is allowed as long as these provinces can demonstrate that they are not affected by the diseases, potato spindle tuber viroid and *Clavibacter michiganensis* ssp. *Sepedonicus* (Bacterial Ring Rot).

The EU recognized Agriculture Canada as the agency responsible for the quality control in the production of seeds in Canada. These inspection duties have now been taken over by the Canadian Food Inspection Agency.

Council *Decision 95/514/EC*, lays down the standards that have to be followed by third countries. These include the conditions relating to field inspections of seed producing crops, and the conditions relating to seed produced in third countries. Basic seed, certified seed, and certified seed of the first generation, must be officially certified and its packages officially closed and marketed in accordance with the OECD schemes for the varietal certification of seed moving in international trade. The seed lots that are exported, must be accompanied by the certificates that are required under the OECD rules. The legislation that deals with the following specific groups of seeds, indicates that the regulations covering the production and marketing of seed may be lifted for testing or other scientific research.

Council *Directive 98/95/EC* deals with seeds that come from genetically modified plants. This directive states that in the case of seed from a plant variety that has been genetically modified, any label or document that accompanies the seed lot must indicate that the variety has been genetically modified. Under this directive, permission to import small quantities of seed for scientific research will only be granted if all appropriate measures have been taken to avoid adverse effects on human health and the environment. The only varieties of genetically modified seed that will be accepted into the Common Catalogue of seed varieties, are those that are already approved to be marketed within the EU. These seeds must be clearly labelled in the Common Catalogue as being genetically modified. It should be noted that the EU has imposed a "de facto" ban on approving new varieties of genetically modified crops. Therefore, the only genetically modified crops that will be listed in these catalogues, at least in the short term, are the few varieties that have already been approved for sale in the EU.

The basic legislation that applies to the common organization of the market in seeds, is *Regulation 2358/71/EE*C. This legislation covers the following crops (that are to be used only for seeding). Their Harmonized System classification numbers are also given. This amended list is from *Regulation 3997/87/EEC*;

HS Number Crop

0712 90 11 hybrid sweet corn
0713 10 11 field peas
0713 10 19 other peas
0713 20 10 chick peas
0713 31 10 beans of the species Hepper or Wilczek
0713 32 10 small red beans
0713 33 10 kidney beans
0713 39 10 other beans
0713 40 10 lentils
0713 50 10 broad beans
0713 90 10 other dried leguminous vegetables
1001 90 10 spelt
1005 10 hybrid maize
1006 10 10 rice in the husk
1007 00 10 hybrid grain sorghum
1201 00 10 soya beans
1202 10 10 ground-nuts
1204 00 10 linseed
1205 00 10 rape (canola) or colza seeds
1206 00 10 sunflower seeds
1207 other oil seeds and other oleaginous fruits
1209 seeds, fruit and spores (of a kind used for sowing)

In order to import any of these crops into the EU (for sowing) from third countries like Canada, it is necessary that the importer has a valid import licence. The issue of these licences is conditional upon the deposit of a fee, guaranteeing that the import will occur during the time frame that the license is valid. If the transaction is not carried out, then the deposit fee may be forfeited (*Regulation 2358/71/EEC*).

For more information on import licenses for all agri-food products or seeds, see Commission *Regulation 3719/88/EEC*.

Directive 70/457/EEC of 29th September 1970 and subsequent amendments
(OJ L 225 12.10.70 p1)

Regulation 2358/71/EEC of 26th October 1971 and subsequent amendments
(OJ L 246 05.11.71 p1)

Regulation 3997/87/EEC of 23rd December 1987 and subsequent amendments
(OJ L 377 31.12.87 p37)

Regulation 3719/88/EEC of 16th November 1988 and subsequent amendments
(OJ L 331 02.12.88 p1)

Decision 95/514/EC of 29th November 1995 and subsequent amendments
(OJ L 296 09.12.95 p34)

Directive 98/95/EC of 14th December 1998 and subsequent amendments
(OJ L 025 01.02.99 p1)

Decision 1999/50/EC of 11th January 1999 and subsequent amendments
(OJ L 016 21.01.99 p31)

(d1) Seed of Oil and Fibre Plants

When selling seed of oilseeds and fibre plants to the EU for planting, the regulations outlined in Council *Directive 69/208/EEC* apply. This directive outlines standards such as the purity of the seed that is required, labelling requirements, conditions for crop certification, and the maximum and minimum size of shipments that are allowed at one time. The plants of the following genera and species fall under this directive;

groundnut turnip rape brown mustard swede rape black mustard hemp caraway		cotton sunflower flax, linseed opium poppy white mustard soya bean safflower

Directive 69/208/EEC of 30th June 1969 and subsequent amendments.
(OJ L 169 10.07.69 p3)

(d2) Seed of Fodder Plants

The basic legislation that applies to fodder plant seed that is marketed within the EU is Council *Directive 66/401/EEC*. This directive outlines standards such as the purity of the seed that is required, labelling requirements, conditions for crop certification, and the maximum and minimum size of shipments that are allowed at one time. More specifically, this legislation addresses the conditions that have to be satisfied by the crop that is being grown for seed. It includes such criteria as the minimum distance that must be between the crop and neighbouring sources of pollen, the maximum number of plants of different varieties and/or species that may be present in the crop of seed and yet be considered pure.

This basic directive along with its amendments, also addresses issues such as the minimum germination rate for each species of forage seed . The following groups of plants are covered by this legislation: grasses, legumes, and other fodder plants.

Grasses

Velvet bent
Redtop
Creeping bent grass
Brown top
Meadow foxtail
Tall oatgrass
Rescue grass
Alaska brome-grass
Bermuda grass
Cocksfoot
Tall fescue
Sheep's fescue
Meadow fescue
Red fescue

Italian ryegrass (inc. Westerwold ryegrass)
Perennial ryegrass
Hybrid ryegrass
Harding grass, Phalaris
Timothy
Annual meadowgrass
Wood meadowgrass
Swamp meadowgrass
Smooth-stalk meadowgrass
Rough-stalk meadowgrass
Golden oatgrass
also covers Hybrid resulting from crossing Italian ryegrass with tall fescue

Legumes

Sulla
Birdsfoot trefoil
White lupin
Blue lupin
Yellow lupin
Black medick
Lucerne
Sainfoin
Field pea

Berseem, Egyptian clover
Alsike clover
Crimson clover
Red clover
White clover
Persian clover
Fenugreek
Field beans
Hungarian vetch
Hairy vetch

Other species

Swede
Fodder kale
California bluebell
Fodder radish

If the Member States requests it, the Commission will permit the Member States to lay down stricter rules, than those contained in Council *Directive 66/401/EEC*, for the marketing of forage seed crops in their territory, concerning the presence of *Avena fatua* provided that similar provisions are applied to seed production in that region, and there is a campaign to eradicate *Avena fatua* from forage crops grown in that region.

This directive requires that the following information must be presented during the marketing of seed in quantities greater than 2kg.

- species
- variety
- category
- country of production and official control authority
- country of dispatch
- importer

- quantity of the seed

Council Directive 66/401/EEC of 14th June 1966 and subsequent amendments
(OJ 125 11.07.66 p2298)

(d3) Seed Potatoes

The legislation that applies to marketing seed potatoes within the European Union, is Council *Directive 66/403/EEC*. This directive covers several areas including minimum size requirements of seed potatoes and the maximum variation in the size between tubers within one lot. However, Member States have the authority to permit an increase in the variation in size between tubers in a lot. This directive also specifies the labelling requirements and official documents that are needed when selling seed potatoes.

The Member States have the right to require (if they so desire) that all packages or containers of seed potatoes that are marketed within their territory, must bear a supplier's label. It is also required that any chemical treatment to the seed potatoes be noted on the official label, as well as on or inside the package or container of seed potatoes. If potatoes are treated with sprout inhibitors, they cannot be placed on the market as seed potatoes.

The Council action on recommendations from the Commission can determine if seed potatoes from third countries have equivalent regulatory standards to the EU. If a third country is approved to sell seed potatoes in the EU, it is necessary that the following information is presented when marketing seed potatoes;

- species
- variety
- category
- country of production and control authority
- country of dispatch
- importer
- quantity of seed potatoes

Directive 66/403/EEC lays out in detail, the minimum purity requirements for the seed potatoes. It also specifies the minimum standards for diseases. The Commission can authorize more stringent requirements for the marketing of seed potatoes in one or more Member States (or part thereof). This is permitted if certain harmful organisms are not present in the region and the introduction of these organisms would potentially harm the crops in the region.

If the threat of the introduction or spread of these harmful organisms appears to be imminent, the Member States are allowed to tale individual action (such as restricting imports) while waiting for the Commission to make a binding decision.

According to Council *Directive 77/93/EEC,* seed potato tubers originating in the American continent cannot be imported into the EU. However, Article 14 of this directive states that Member States may provide for derogations (exceptions) as long as it is established that there is no risk of spreading harmful diseases. In the past, some Member States (in particular, Spain, Portugal, Italy and Greece) have requested annual derogations that allow the import of seed potatoes from areas of Prince Edward Island and New Brunswick that are free from Bacterial Ring Rot (BRR) and Potato Spindle Tuber Viroid (PSTV).

In the past few years there has been considerable disruption experienced by exporters to these

Southern European countries as permission to import seed potatoes from P.E.I. and N.B. is only valid from January to March. In addition to this, the annual derogation has often been delayed leaving Canadian exporters with only a few weeks to access this market.

There is currently a proposal being evaluated by the EU that would allow this annual derogation to be extended to a multi-annual derogation (perhaps for three years). If this is approved (perhaps in the fall of 1999), the Canadian exporters (as well as the European importers) would be able to plan with more certainty, knowing that there would be more assured market access for these Southern European countries, that would not be revoked as long as the current disease free status was maintained.

Directive 66/403/EEC of 14th June 1966 and subsequent amendments
(OJ 125 11.07.66 p2320)

Directive 77/93/EEC of 21st December 1976 and subsequent amendments
(OJ L 026 31.01.77 p20)

(d4) Beet Seed

The legislation covering beet seeds is inclusive of both sugar beet as well as fodder beet. The Member States shall provide that beet seed shall not be placed on the market unless it has been officially certified as being 'basic seed' or 'certified seed' as defined in Council *Directive 66/400/EEC*. Seed that is produced directly from basic seed or certified seed in a Member State or in a third country shall be officially certified as being certified seed in any Member State if that seed has undergone field inspections that satisfy the conditions laid down in Council *Directive 66/400/EEC*.

The Member States require that the seed must be marketed in homogeneous lots and in sealed packages with appropriate markings. However, if the seed is being sold to the final consumer in small quantities, derogations may be granted in regards to packaging, sealing and marking.

The Member States have the right to require that the packages of basic seed and certified seed must bear a supplier's label. Needless to say, this only applies to packages of seed that are sold in that Member State's territory. If any chemical treatment is used on beet seed, it must be noted on either the official label or on the supplier's label as well as being either on or inside the package itself.

The following information must be presented when marketing quantities of seed in excess of 2 kg that have come from another Member State or from a third country:

- species
- variety
- category
- country of production and official control authority
- country of dispatch
- importer
- quantity of seed

When shipping beet seed to the EU, the weight of a seed lot can be no more than 20 metric tons. In addition, the minimum weight of a sample drawn for examination is 500g.

Directive 66/400/EEC of 14th June 1966 and subsequent amendments

(OJ 125 11.07.66 p2290)

(d5) Vegetable Seed

Council *Directive 70/458/EEC* is the primary legislation that deals with the production and marketing of vegetable seeds in the EU. The following species are covered under this directive;

Onion
Leek
Chervil
Celery
Asparagus
Spinach beet, chard
Red beet or beetroot
Curly kale
Cauliflower
Sprouting broccoli or calabrese
Brussels sprouts
Savoy cabbage
Cabbage
Red cabbage
Kohlrabi
Chinese cabbage
Turnip
Chili
Pepper
Capsicum
Endive
Witloof chicory
Large-leaved chicory (Italian chicory)
Industrial chicory
Water melon
Melon
Cucumber, gherkin
Gourd
Marrow
Cardoon
Carrot
Fennel
Lettuce
Tomato
Parsley
Runner bean
French bean
Pea (excluding field pea)
Radish
Scorzonera or Black salsify
Aubergine or egg plant
Spinach
Corn salad or Lamb's lettuce
Broad bean

The Member States shall not allow vegetable seeds to be certified, verified as standard seed and marketed, unless the variety is accepted in one or more Member States. This simply means that this particular variety of seed has been published in the Member States official publication of the catalogue of varieties that are accepted in their territory. If the seed has been subject to chemical treatment, it must be noted on the official label or on the supplier's label as well as being on or inside the package.

The classes of seed that are permitted to be sold in the EU are basic seed, certified seed, or standard seed. These classes are defined in *Directive 70/458/EEC*. However, industrial chicory can only be placed on the market if it is classified as basic seed or as certified seed.

Member States require that these classes of seeds shall be marketed only in sufficiently homogeneous lots and in sealed packages that have been sealed in a manner prescribed by *Directive 70/458/EEC*. The individual state has the right to relax these requirements for seeds that are marketed in small quantities to the individual consumers. However, the Member States do require that the small packages of seeds must be able to be identified. According to this legislation 'small packages' of seed mean packages of seed that contain seed up to a maximum net weight of

- 5 kg for legumes;
- 500g for onions, chervil, asparagus, spinach beet or chard, red beet or beetroot, turnips, watermelon, gourd, marrows, carrots, radishes, scorzonera or black salsify, spinach, corn-

salad or lamb's lettuce;
- 100g for all other species of vegetable.

Additional information may be required, by the individual state, from the supplier. This information could be either printed on a label or stamped directly on the package.

The Member States may allow for the marketing of mixtures of standard seed of different varieties of the species *Lactuca sativa* L. They may also allow for the mixture of standard seed of different varieties of *Raphanus sativus* L. This would only be permitted for small packages containing no more than 50g of seed provided that the package shows the words 'mixture of varieties' and gives the names of the varieties that make up the mixture.

The following information must be presented during the marketing of seed in quantities exceeding 2 kg of seed;

- species
- variety
- category
- country of production and official control authority
- country of dispatch
- importer
- quantity of seed

Member States may apply to be partly or wholly released from the obligations of applying this directive to:

(a) the following species;

Chervil
Asparagus
Spinach beet, chard
Curly kale
Cauliflower
Chinese cabbage
Sprouting broccoli or calabrese
Witloof chicory
Large-leaved chicory (Italian chicory)
Industrial chicory
Water melon
Fennel
Scorzonera or Black salsify

(b) to other species which are not normally reproduced or marketed in its territory.

The maximum weight of a seed lot is 20 metric tons for seeds at least as big as a grain of wheat. For seeds that are smaller in size than a grain of wheat the maximum weight of a shipment is 10 metric tons. The minimum size of a sample used for examination varies from 5g to 1000g, depending on the species involved.

Directive 70/458/EEC of 29th September 1970 and subsequent amendments
(OJ L 225 12.10.70 p7)

(d6) Cereal Seed

When exporting Canadian wheat, durum, or barley pedigreed seed, it is necessary to acquire an export license from the export licensing department of the CWB. This application form requires:

- the crop certification number
- the lot number of seed being exported
- the destination
- the seed sealing number(s) and processor's name
- the signature of the applicant

Additionally, an affidavit must be completed by the exporter stating that the seed will be used for seeding purposes only. A copy of this affidavit can also be obtained from the CWB.

These specifications are required for the various levels of pedigreed seed; registered, foundation, select or breeder. If the seed is not pedigreed (commercial or common), it will not be granted an export license as seed, but will be treated as an export of ordinary wheat or barley (as outlined above in section **a**).

The European Union legislation that applies to the marketing of cereal seed is Council *Directive 66/402/EEC* and it's subsequent amendments. This legislation applies to seed from the following species;

Oats
2-row barley
6-row barley
Rice

Canary grass
Rye
Common wheat
Durum wheat
Spelt wheat

Maize except popcorn and sweet corn. This legislation specifies that cereal seed that is placed on the market as seed must be officially certified as being 'basic seed', 'certified seed, first generation', or "certified seed, second generation.' This seed must be marketed in homogeneous lots and in sealed packages that have been sealed in accordance with this directive. However, the Member States are permitted to relax these standards for small packages of seeds that are marketed to the final consumer.

The Commission shall permit stricter standards to be applied to the marketing of cereal seed within one region or the entire territory of a Member State concerning the presence of *Avena fatua* as long as the member state has similarly strict provisions to it's own production and has initiated a campaign to eradicate *Avena fatia* from cereals that are grown in that region.

The Member States can require that the seed bear a supplier's label or that seed lots that comply with the special conditions concerning the presence of *Avena fatua*, shall be accompanied by an official certificate. This certificate shall attest that compliance with these conditions has been achieved. Any chemical treatment to the seeds must be also noted.

Member States may permit that seed of a species of cereal can be marketed in the form of a specific mixture of seeds of various varieties. This is only permitted when scientific or technical knowledge indicates that these mixtures are effective in countering the propagation of certain harmful organisms. In addition to this mixture of varieties within one species, the Member States are permitted to market mixtures of seeds of various species.

The Member States are permitted to restrict the marketing of certified seeds of oats, barley, rice, triticale, wheat or spelt to that of the first generation. The following information must be given when marketing cereal seed in quantities greater than 2 kg;

- species
- variety
- category
- country of production and official control authority
- country of dispatch
- importer
- quantity of seed.

The Member States shall arrange for cereal seed to be verified during marketing to see that it complies with the requirements of this directive in such things as germination rates and varietal purity.

The Member States can apply to the Commission to be released in whole or in part from the obligations of this directive in respect to the following groups:

(a) in respect of the following species;

- canary grass
- sorghum
- Sudan grass

(b) in respect to other species which are not normally reproduced or marketed in the territory.

The maximum weight of one lot of seed ranges from 10 to 40 metric tons depending on the species. The minimum weight of a sample ranges from 250g to 1000g.

Directive 66/402/EEC of 14th June 1966 and subsequent amendments
(OJ 125 11.07.66 p2309)

Bakery Products, Soups and Broth

Imports of bakery goods, soups and other composite products are subject to horizontal legislation which is applied to a broad range of food categories in order to regulate hygiene, food additives, and labelling and packaging requirements. Information about these requirements can be found in the *Canadian Exporters' Guide to Food Labelling and Packaging Requirements of the European Union (May 1997)*, available in English at http://atn-riae.agr.ca/public/htmldocs/e1429.htm or in French at http://atn-riae.agr.ca/public/htmldocs/f1429.htm

Dairy legislation is applied to composite products containing milk ingredients or to foods that qualify as milk-based products, as defined in Council *Directive 92/46/EEC* (see (B) Milk and Dairy Products). This does not include foods with a minimal amount of dairy ingredients (for example, milk chocolate, cookies, and breads). In cases where a significant quantity of milk products are used in the production process, the extent to which those ingredients determine the character of the final product is taken into account. Therefore, prepared foods such as pizza, croissants made with butter, cream pastries, etc. are not considered to be composite milk products but the milk or milk products used in their manufacture must satisfy all requirements of *Directive 92/46/EEC*. Other composite products where milk ingredients are replaced by non-dairy constituents are subject to the hygiene regulations in *Directive 92/46/EEC*.

Directive 92/46/EEC of 16th June 1992 and subsequent amendments

(OJ L 268 14.09.92 p1)

Fruit and Vegetable Products

(a) Fresh Fruit and Vegetables

The most important legislation relating to the fruit and vegetable sector include Council *Regulation 2200/96/EC*, Commission *Regulation 3223/94/EC* and Council *Regulation 2201/96/EC*. There also is more legislation that may apply to specific fruits and vegetables such as the derogation allowing seed potatoes to be imported from Prince Edward Island and New Brunswick (already mentioned under section E.d.3). The importer should be aware of the status of these rules, as well as the appropriate tariff rates (which sometimes vary seasonally for fresh fruits and vegetables) and would be most able to provide an up-to-date view on the status of importing fruits and vegetables.

Council *Regulation 2200/96/EC* sets up a common organisation that covers the following products:

- Tomatoes, fresh or chilled
- Onions, shallots, garlic, leeks, and other alliaceous vegetables, fresh or chilled
- Cabbages, cauliflower, kohlrabi, kale and similar edible brassicas, fresh or chilled
- Lettuce and chicory
- Carrots, turnips, salad beetroot, salsify, celeriac, radishes, and similar edible roots, fresh or chilled
- Cucumbers and gherkins, fresh or chilled
- Leguminous vegetables, shelled or unshelled, fresh or chilled
- Other vegetables, fresh or chilled, excluding sweet corn, olives and fruit of the genus *Capsicum* or *Pimenta* (with the exception of sweet peppers which are covered)
- The category of "other nuts" (products falling under CN code 0802), fresh or dried, whether or not shelled or peeled, excluding areca and cola nuts
- Plantains, fresh or dried
- Figs, fresh
- Pineapples
- Avocados
- Guavas, mangos and mangosteens
- Citrus fruit, fresh or dried
- Fresh table grapes
- Melons (including watermelons) and pawpaws (papayas), fresh
- Apples, pears and quinces, fresh
- Apricots, cherries, peaches (including nectarines), plums and sloes, fresh
- Other fresh fruit of the CN category 0810. This includes strawberries, raspberries, blackberries, mulberries, loganberries, currants, gooseberries, cranberries, bilberries and other fruit of the genus *Vaccinium* (inc. blueberries), and kiwifruit
- Mixtures of dried nuts from CN category 0801 and 0802. These include coconuts, Brazil nuts, cashew nuts, almonds, hazelnuts, walnuts, chestnuts, pistachios, and pecans.
- Carobs

It is important to understand that the EU is concerned about stability in price and in the supply of

many different fruits and vegetables. This is particularly true of fruits and vegetables that are of significant economic value within the European Community. With this in mind, the EU has established import tariff rates which in many cases differ depending upon the season. For example for fresh or chilled peas there are three different tariff schedules.

- From January 1st - May 31st the tariff rate is 8.3%
- From June 1st - August 31st the tariff rate is 14.2%
- From September 1st - December 31st the tariff rate is 8.3%

This difference is intended to keep imports from outside of the EU to a minimum, during the main harvest season within the EU. This seasonal variance in tariffs is sometimes used for crops that are widely grown within the EU. However, it is not used with many crops, especially crops of minimal importance to the EU agricultural industry such as cranberries or gooseberries.

This regulation (*Regulation 2200/96/EC)* sets out standards that have to be met for products that are sold directly to the consumer. This means that the person who has products that are covered by quality standards, are not permitted to display or sell substandard products within the EU. It should be noted however that these quality standards are not required of products that are to be shipped to processing plants. This is true unless subsequent criteria has been implemented for products intended for industrial processing. These standards may be waived in the case of extreme shortage of supply.

Products that are covered by quality standards within the EU, shall be accepted for importation from third countries, only if they conform to these EU quality standards, or standards that are equivalent to them. When importing fruit and vegetable products into the EU, the previously listed products may be subject to presentation of an import licence. These import licenses, when issued, are valid throughout the EU. Before receiving this import licence, the recipient may be required to deposit a security that guarantees that the products will be imported during the valid period of the license. If the import does not take place, the security deposit may be forfeited. Another method that the EU uses to prevent foreign produce from undercutting the price of EU produce, is to establish a minimum entry price for fruit and vegetables.

Commission *Regulation 3223/94/EC* specifies the detailed rules relating to the import arrangements for fruit and vegetables. The EU establishes a standard import price for the following crops:

Tomatoes
Cucumbers
Antichokes
Courgettes
Sweet oranges, fresh
Clementines
Mandarins
Lemons
Table grapes
Apples
Pears
Apricots
Cherries
Peaches and nectarines
Plums

The Commission will set a standard import value for each of these products each working day. This standard import value will be equal to the weighed average of prices in the different Member States, less a standard amount of 5 euros/100kg as well as the customs duties.

Regulation 3223/94/EC of 21st December 1994 and subsequent amendments

(OJ L 337 24.12.94 p66)

Regulation 2200/96/EC of 28th October 1996 and subsequent amendments
(OJ L 297 21.11.96 p1)

(b) Processed Fruit and Vegetables

The legislation setting up the common organization of the markets in processed fruit and vegetables is Council *Regulation 2201/96/EC*. This legislation applies to many different types of processed fruits and vegetables. As with fresh produce, the importer may be required to present an import licence when bringing these processed goods into the EU. These licences which are issued by Member States can be issued to any applicant regardless of which EU country they are established in and are valid throughout the EU. As with the fresh produce, a security deposit may be required before the import license is granted.

Regulation 2201/96/EC of 28th October 1996 and subsequent amendments
(OJ L 297 21.11.96 p29)

(c) Fruit Jams, Jellies, Marmalades and Sweetened Chestnut Puree

Council *Directive 79/693/EEC* is legislation that is specific to these products. These products can only be sold under the names: extra jams, jams, extra jellies, jellies, marmalades, and chestnut puree. This directive specifies what raw materials and what processes can be used in the production of these products. This legislation also specifies what additives are permitted in these products.

The definitions of the different products referred to are given below.

Extra jam:

This is a mixture that is brought to a suitable gelled consistency, of sugars and the pulp of one or more fruits with the exception of apples, pears, clingstone plums, melons, watermelons, grapes, pumpkins, cucumbers and tomatoes.

The quantity of fruit pulp used in the manufacture of 1000g of finished product must be at least:

- 450g as a general rule
- 350g for blackcurrants, rosehips, quinces
- 250g for ginger
- 230g for cashew apples
- 80g for passion fruit

Jam:

This is a mixture that is brought to a suitable gelled consistency, of sugars and the pulp and/or puree of one or more fruits.

The quantity of fruit pulp used in the manufacture of 1000g of finished product must be at least:

- 350 g as a general rule
- 250g for blackcurrants, rosehips, quinces
- 150g for ginger

- 160g for cashew apples
- 60g for passion fruit

Extra jelly:

This is a mixture of suitable gelled mixture of sugars and the juice and/or aqueous extracts of one or more fruits with the exception of apples, pears, clingstone plums, melons, watermelons, grapes, pumpkins, cucumbers and tomatoes.

The quantity of juice and/or aqueous extracts used in the manufacture of 1000g of finished product must be at least:

- 450 g as a general rule
- 350g for blackcurrants, rosehips, quinces
- 250g for ginger
- 230g for cashew apples
- 80g for passion fruit

These quantities are calculated after subtracting the weight of water used in preparing the aqueous extracts.

Jelly:

This is an appropriately gelled mixture of sugars and the juice and/or aqueous extracts of one or more types of fruit. The quantity of juice and/or aqueous extracts used in the manufacture of 1000g of finished product must be at least:

- 350 g as a general rule
- 250g for blackcurrants, rosehips, quinces
- 150g for ginger
- 160g for cashew apples
- 60g for passion fruit

As in the case of Extra Jelly, these quantities are calculated after subtracting the weight of water that was used in preparing the aqueous extract.

Marmalade:

This is a suitably gelled mixture of sugars and one or more of the following products obtained from citrus fruit: pulp, puree, juice, aqueous extracts and peel. The quantity of these citrus fruit in 1000g of the finished product must be at least 200g of which 75g must be from the endocarp of the fruit. The Member States may authorize in their own territory, the name 'jelly marmalade' for marmalade that contains no insoluble matter with the possible exception of small amounts of fine peel.

Sweetened chestnut puree:

This is a mixture of sugars and pureed chestnuts. There must be at least 380g of pureed chestnuts in the manufacture of 1000g of finished product..

When any of these products are made from mixtures of these fruits, the minimum content of each fruit is reduced proportionately to the percentage of the fruit that is used. For example, if there was a jelly mixture of 50% blueberry and 50% blackcurrant, the minimum amount of fruit in

1000g of the jelly would be 175g of blueberry (350g*50%) and 125g of blackcurrants (250g*50%).

Directive 79/693/EEC of 24th July 1979 and subsequent amendments
(OJ L 205 13.08.79 p5)

Sugar, Honey, Confectionary and Maple Products

(a) Sugars

The basic directive dealing with sugars, is *Directive 73/437/EEC*. In this directive the following types of sugar are defined; semi-white sugar, sugar or white sugar, extra white sugar, sugar solution, invert sugar solution, invert sugar syrup, glucose syrup, dried glucose syrup, dextrose monohydrate, and dextrose anhydrous. These names can only be used (and must be used) for products that fit the definitions given in this directive. However, this legislation does not apply to impalpable sugars, candy sugars, or sugars in loaf form.

This directive also specifies the range of net weights that are permitted for semi-white sugars, sugars or white sugars, and extra-white sugars. This applies to packages of sugars between 50 g and 10 kg sizes. Council *Directive 80/232/EEC* also specifies the range of net weights for impalpable sugars, red or brown sugars, and candy sugars.

Commission *Regulation 1265/69/EEC* is the legislation that outlines the method of determining the colour type, the ash content, and the colour in solution of white sugar and extra-white sugar.

Regulation 1265/69/EEC of 1st July 1969 and subsequent amendments
(OJ L 163 01.07.69 p1)

Directive 73/437/EEC of 11th December 1973 and subsequent amendments
(OJ L 356 27.12.73 p71)

Directive 80/232/EEC of 15th January 1980 and subsequent amendments
(OJ L 051 25.02.80 p1)

(b) Honey

Germany was the second largest market for exports of Canadian honey in 1998. The rate of duty on imports of natural honey into the EU remains high at 18.9 %. The basic directive relating to honey is Council *Directive 74/409/EEC*. This directive defines what honey is and describes the different types of honey either by its origin (i.e. blueberry blossom honey) or its manner of presentation (i.e. comb honey or pressed honey). In order to sell honey in the EU, it must comply with the definitions in this directive and be labelled under the correct category. The weight must be expressed in grams or kilograms and the label must have the name or trade name and the address or the registered office of the packager or seller in the EU.

This directive also specifies the composition of the honey and outlines the labelling requirements.

When honey is sold, it cannot have any other products added to it. If other products are added to the honey, it cannot be sold as honey.

It is optional (may be required in some Member States) to include on the label a regional, geographical, or topographical name provided that the honey originates entirely in the indicated area.

Directive 74/409/EEC of 22nd July 1974 and subsequent amendments
(OJ L 221 12.08.74 p10)

(c) Confectionary

The most specific legislation that deals with confectionary is Council *Directive 73/241/EEC*. This directive specifically deals with chocolate confectionary and it specifies the rules and definitions for chocolate and cocoa products in regards to their composition and manufacturing specifications. Additionally, it gives the names that should be used in trade. Specifications are also given regarding the range of net weights that can be used for prepackaged chocolate. This directive applies to products imported from third countries as well as to products produced in the EU.

It should be noted however, that the EU is still in the process of harmonizing legislation and there still are several areas that differing national laws apply. Some of these areas that are currently not regulated include; the use of vegetable oils instead of cocoa butter in the production of chocolate, and the use of national brand names.

Currently there is legislation being drafted to address some of these areas that have not been harmonised. The current draft legislation (assuming that it remains the same throughout the continuing revision) would allow six specific tropical fats to be used instead of cocoa butter for up to 5% of the weight of the product. These tropical fats include illipe, palm oil, sal, shea, kokum gurgi and mango kernel. Coconut oil would also be permitted in chocolate that will be used to make ice cream and similar frozen products. This draft legislation would also permit Britain and Ireland to market chocolate under the name "family milk chocolate." This is in order to distinguish this chocolate from the continental chocolate, which has a lower milk content. At the current time, Council *Directive 79/112/EEC* does not apply to chocolate. However, the chocolate industry currently follows the rules in this labelling legislation (Council *Directive 79/112/EEC*) on a voluntary basis. Whenever this draft legislation is passed (in the next few months) the labelling requirements will become mandatory.

It should be noted that white chocolate is not considered to be chocolate. Instead it is considered to be "Sugar Confectionary."

In addition to this specific regulation, confectionary products also fall under the horizontal legislation (legislation that applies across a broad range of food categories). This type of legislation includes things such as hygiene, additives, labelling and packaging requirements. More detailed information on this horizontal legislation, can be found in the *Canadian Exporters Guide to Food Labelling and Packaging Requirements of the European Union.*

Directive 73/241/EEC of 24th July 1973 and subsequent amendments
(OJ L 228 16.08.73 p23)

Directive 79/112/EEC of 18th December 1978 and subsequent amendments
(OJ L 033 08.02.79 p1)

(d) Maple Products

In 1998, Canadian exports of maple products totalled $112.7 million with sales to Europe reaching almost $17 million. Europe is the second largest export market for Canadian maple products, with the majority of sales being made in Germany, France and the United Kingdom. The maple industry hopes to increase its exports to Europe with further promotion of their products.

Maple sugar and maple syrup are classed as sugar products and are subject to the legislation governing sugar imports. Council *Regulation 1785/81/EEC* includes maple sugar and syrup in the common organization of the markets in the sugar sector. It is amended by Council *Regulation 3290/94/EC* which specifies that maple sugar and maple syrup must be imported with an import licence and are subject to rates of duty in the Common Customs Tariff. The duty for imports of maple syrup is 8.3% and maple sugar has a duty of 0.42/100 kg net weight per 1% by weight of sucrose. Commission *Regulation 1464/95/EC* gives details regarding the import licences of the sugar sector. The import licence for maple products is valid from the date of issue until the end of the following month and a security for the licence is required.

It is no longer mandatory for exports of maple syrup to have export certification. However, there are inspection and grading requirements for maple products. Producers should contact the Canadian Food Inspection Agency (CFIA) for information.

Regulation 1785/81/EEC of 30th June 1981 and subsequent amendments
(OJ L 177 01.07.81 p4)

Regulation 3290/94/EC of 22nd December 1994 and subsequent amendments
(OJ L 349 31.12.94 p105)

Regulation 1464/95/EC of 27th June 1995 and subsequent amendments
(OJ L 144 28.06.95 p14)

Nutritional Supplements

Currently in the European Union, there is **no legislation** that regulates substances with general nutritional purposes such as vitamins, mineral salts, amino acids, etc. Therefore these general supplements come under the legislation of Member States. It is necessary to remember that Member States' legislation is not coordinated, and may vary widely from one Member State to another. However, there is EU legislation that addresses nutritional supplements for **specific** nutritional uses.

(a) Specific Nutritional Uses

According to Council *Directive 89/398/EEC* (the legislation that covers foodstuffs intended for particular nutritional uses), these foodstuffs must address particular nutritional requirements of the following:

- of certain categories of persons whose digestive processes or metabolism are disturbed; or
- of certain categories of persons who are in a special physiological condition and who are

therefore able to obtain special benefit from controlled consumption of certain substances in foodstuffs; or
- of infants or young children in good health.

These first two categories are to be characterized as being "dietetic" or "dietary." However, it is possible for normal foodstuffs (which are suitable for a particular nutritional use) to indicate that it is suitable for such nutritional use.

The specific types of products that are covered in the previous three categories are:

(1) Infant formulae and follow-on formulae
(2) Cereal-based foods and baby foods
(3) Food intended for weight control diets
(4) Dietary foods for special medical purposes

It must not be implied for these products, that they prevent, treat or cure human disease. However "useful information or recommendations" may be disseminated to qualified people in the fields of nutrition and medicine.

If a product is developed to address a specific nutritional use other than those listed above, the following steps must be taken;

- when this product is placed on the market of a member state, the manufacturer or importer (if coming from a third country) must notify the competent authority of that Member State, by forwarding to it a model of the label used for the product.
- If the same product is then placed on the market of a second Member State, the manufacturer or importer shall send the same information to that authority as well as an indication of the response of the first Member State.
- The government body that is responsible for food safety (referred to as the competent authority) has the right to require the manufacturer or importer, to produce the scientific work and data, that proves that the product fully complies with the principles laid out in Council *Directive 89/398/EEC*. However, if the scientific date is contained in an easily accessible publication, just citing the reference is satisfactory.

As has been stated, there currently is no EU legislation dealing with nutritional supplements that are used by large segments of the population (in contrast to the specific categories of people cited above). However, we have been informed that the EU is considering drafting legislation to cover this area. This will be a time consuming process that will likely take several years before a common standard is reached for the EU countries.

Directive 89/398/EEC of 3rd May 1989 and subsequent amendments
(OJ L 186 30.06.89 p27)

(a.1) Infant formulae and follow-on formulae

Commission *Directive 91/321/EEC* is the first legislation that specifically regulates infant formula and follow-on formula. This directive concentrates specifically on the compositional and labelling requirements for infant formula and follow-on formula intended for use by infants in good health in the community.

In this legislation, children under twelve months old are regarded as infants. Young children are defined as those between one and three years old. However, infant formula is foodstuffs that are

intended for children under the age of four to six months old. These foods must satisfy the entire nutritional requirements of this age group. Follow-on formula means foodstuffs intended for the particular nutritional uses of infants over four months old. These foodstuffs are regarded as supplying the main liquid element of the diet but not necessarily the entire diet. The EU does not allow foodstuffs other than infant formula to be marketed, or represented as being suitable for satisfying the entire nutritional requirements of normal, healthy infants.

This directive specifies which protein sources may be used in the preparation of infant formula and follow-on formula. In addition, lists of approved substances are given such as; mineral substances, vitamins, amino acids (and other nitrogen compounds), as well as other substances having particular nutritional purposes, that can be used in manufacturing infant formula. It should be noted that this directive specifies that the formulas must be ready to use, with no other requirement than adding water.

This directive is very restrictive as to what type of advertising and labelling is acceptable. It is up to the Member States to ensure that the information that is provided, is objective and consistent.

This directive is not a comprehensive directive and suggests that there will be more legislation introduced in the future to establish microbiological criteria, maximum levels of substances that may endanger human health, as well as other issues that arise.

Directive 91/321/EEC of 14th May 1991 and subsequent amendments
(OJ L 175 04.07.91 p35)

(a.2) Cereal-based foods and baby foods

The legislation that regulates processed cereal-based foods and baby foods for infants and young children is Commission *Directive 96/5/EC*. This directive covers foodstuffs for particular nutritional use fulfilling the particular requirements of infants and young children who are in good health. These products are intended for use for infants while they are being weaned, and by young children as a supplement to their diet as they adopt to ordinary food.

The processed cereal-based foods that are covered by this directive are the following;

- **simple cereal**s which are reconstituted with the addition of milk or other nutritious supplements.
- **cereals** which have an added high protein food. These are reconstituted with water or other protein free liquid.
- **pastas** which are to be used after cooking
- **rusks and biscuits** which can be used directly as they are, or else broken up and have water, milk or another liquid added.

In addition to these cereal-based foods, this directive covers other 'baby foods.' However, this does not apply to milks that are intended for young children.

These different foods are to be manufactured from food products that are generally accepted as being suitable for the particular nutritional needs of infants and young children. The compositional criteria is outlined in more detail in this directive.

When these products are being sold, there must be a statement as to the appropriate age from which this product can be used. This age must not be less than four months. If the indicated age from when the product can be used is less than six months, then there must be an indication as to

whether or not there is gluten present in the product.

Directive 96/5/EC of 16th February 1996 and subsequent amendments
(OJ L 049 28.02.96 p17)

(a.3) Food intended for weight control diets

The specific directive that deals with foods intended for use in energy-restricted diets for weight reduction is Commission *Directive 96/8/EC*. This directive lays down compositional and labelling requirements, for these foods that are presented as energy-restricted diets for weight reduction. These products are classified as either being a replacement for the whole of the daily diet, or as being a replacement for one or more meals of the daily diet. Products that are sold as being a replacement for the whole daily diet, must be contained in one package. These products replacing the whole daily diet must be sold under the name 'Total diet replacement for weight control,' and the meal replacement package must be sold as a 'meal replacement for weight control.'

Directive 96/8/EC of 26th February 1996 and subsequent amendments
(OJ L 055 06.03.96 p22)

(a.4) Dietary foods for special medical purposes

Currently there is no specific legislation that further regulates this sector on dietary foods.

(b) Medicinal Products

Medicinal Products fall under the general legislation relating to medicinal products. This is primarily Council *Directive 65/65/EEC* and its subsequent amendments (including *Directive 75/319/EEC*). These directives cover such subjects as health and quality standards, the application process to place medicinal products on the market, labelling requirements, and as well as employee training standards for those engaged in quality control.

Directive 65/65/EEC of 26th January 1965 and subsequent amendments
(OJ 022 09.02.65 p369)

Directive 75/319/EEC of 20th of May 1975 and subsequent amendments
(OJ L 147 09.06.75 p13)

Animal Feeds and Petfood

(a) Animal Feeds

Currently there are several EU council directives that cover the different areas of feed production. Council *Directive 1999/29/E*C covers undesirable substances, Council *Directive 96/25/EC* deals with the circulation of feed materials, Council *Directive 95/69/EC* covers the approval of feed establishments, Council *Directive 95/53/EC* covers the control of feedingstuffs, medicated feedingstuffs are covered by *Directive 90/167/EEC, Directive 82/471/EEC* deals with certain constituents while feed additives are covered by *Directive 70/524/EEC*.

Council *Directive 1999/29/EC* applies to provisions relating to;

- additives in feedingstuffs

- the marketing of feedingstuffs
- the fixing of maximum permitted levels of pesticide residue on or in products that are intended for animal feeding
- micro-organisms in feedingstuffs
- certain products that are used in animal nutrition
- feedingstuffs that are used for particular nutritional purposes

This directive states that materials that are used in animal feed may only be put into circulation if they are sound, genuine, and of merchantable quality. This precludes the use of feed components whose level of undesirable substances are so high that the compound feed would exceed the maximum level of undesirable substances.

This directive provides a list of undesirable substances and lays down the maximum levels that are tolerated. In general, the same standards apply to products coming in from third countries as to products produced within the EU.

In Council *Directive 96/25/EEC*, the feed materials that are covered include various products of vegetable or animal origin in their natural, or processed state. It includes organic or inorganic substances that are intended for oral animal feeding either directly of after processing into compound feeds.

When these feedstuffs are put on the market, they must be accompanied by a document that shows the words 'feed material,' the name of the feed material, the net quantity, as well as the name or business name and the address or registered place of business of the person responsible for these goods within the EU. This person could be a producer, packer, importer, seller or distributor. Other information may also be given provided that it can be substantiated.

This directive presents a non-exclusive list of the main feed materials used in the production of animal feeds. This list is divided into the following 12 chapters;

- Cereal grains, their products and by-products
- Oil seeds, oil fruits, their products and by-products
- Legume seeds, their products and by-products
- Tubers, roots, their products and by-products
- Other seeds and fruits, their products and by-products
- Forages and roughage
- Other plants, their products and by-products
- Milk products
- Land animal products
- Fish, other marine animals, their products and by-products
- Minerals
- Miscellaneous

All of the products that are included in these lists must be marketed under these names. If other products are being marketed that are not included in this list, they cannot be sold under the names listed. This is to prevent the purchaser from being misled as to the identity of the goods that are purchased.

In Council *Directive 95/69/EC* the conditions and arrangements for approving and registering certain establishments and intermediaries operating in the animal feed sector are given. In this legislation, an establishment means any unit producing or manufacturing additives, premixtures prepared from additives, compound feedstuffs, antibiotics, vitamins, enzymes, trace elements, antioxidants, etc. An intermediary means any person except the manufacturer, who holds these

products any time between their production and their use.

A manufacturer must be approved for each activity that it wants to undertake. For example a manufacturer of feed additives must apply to be approved to also manufacture compound feedstuffs.

If an establishment or intermediary within the EU, wants to become involved in the production of these feedstuffs, they must apply to the competent authority within the Member State. The Member State will respond to this request within six months. For imports of products produced in third countries such as Canada, the EU wants assurance that safeguards equivalent to the EU's are in place. A list will be drawn up showing which countries are able to provide these safeguards and then the third countries will draw up a list showing which establishments in their country have met these standards. This list of third countries has not been drawn up as yet. It is not expected to be finalized before 2001. In the meantime, the transitional rules permit imports to occur from third country companies as long as they have a "representative" within the EU. This representative could include the importer.

Council *Directive 95/53/EC* outlines the principles governing the organization of official inspections in the field of animal nutrition. This directive states that products coming into the EU from third countries are subject to a documentary check and a random identity check. This is to verify the nature, origin, and geographical destination of the shipment. In order to carry out this check, the Member States may designate particular entry points in their territory for the various products. The Member States may also require that notice be given to then of the arrival of products at a particular entry point.

When the goods inspected are destined for a Member State other than the one that carried out the inspection, the Member State that inspected the shipment will provide a document indicating what type of check was carried out, and what it's outcome was.

Directive 70/524/EEC of 23rd November 1970 and subsequent amendments
(OJ L 270 14.12.70 p1)

Directive 82/471/EEC of 30th June 1982 and subsequent amendments
(OJ L 213 21.07.82 p8)

Directive 90/167/EEC of 26th March 1990 and subsequent amendments
(OJ L 092 07.04.90 p42)

Directive 95/53/EC of 25th October 1995 and subsequent amendments
(OJ L 265 08.11.95 p17)

Directive 95/69/EC of 22nd December 1995 and subsequent amendments
(OJ L 332 30.12.95 p15)

Directive 96/25/EC of 29th April 1996 and subsequent amendments
(OJ L 125 23.05.96 p35)

Directive 1999/29/EC of 22nd April 1999 and subsequent amendments
(OJ L 115 04.05.99 p32)

(b) Petfood

There are different requirements for petfood depending on whether it is canned, semi-moist, or dried. Council *Directive 92/118/EEC* explains the specific animal health requirements for petfood imported into the EU. Further requirements and examples of health certificates are provided in Commission *Decision 94/309/EC* and its amendment Commission *Decision 97/199/EC*.

Semi-moist and dried petfood can only be imported if it was manufactured with low-risk materials as defined in Council *Directive 90/667/EEC*. Low-risk material is animal waste which does not present serious risks of spreading communicable diseases to animals or man (ie. not meat from diseased animals or animals killed for disease control, meat in compliance with EU veterinary requirements, etc.). It cannot be mixed with high-risk material and must be processed in an approved processing plant.

Only canned petfood can contain processed animal protein from high-risk material not intended for human consumption but the animal protein used must meet these requirements:

- the plant which processed the animal protein must be registered and approved by the Canadian Food Inspection Agency (CFIA). Council *Directive 90/667/EEC* provides specific requirements for the approval of processing plants (ie. adequate facilities for storing and treating animal waste and for destroying any animal waste that may cause contamination, regular inspections);

- the animal protein must be heated to at least 133C throughout its substance for a minimum of 20 minutes at a pressure of three bars, with a particle size prior to processing of not more than 5 centimetres

or

if the raw material is not of mammalian origin, other treatment systems may be used under the condition that the process has been sampled on a daily basis over a period of one month and is in compliance with the microbiological standards below;

- the animal protein has been tested to comply with standards for heat-resistant pathogenic bacteria spores (Clostridium perfringens), Salmonella, and Enterobacteriaceae as given in Council *Directive 90/667/EEC*.

Canned petfood must be accompanied by a animal health certificate issued and signed by an official veterinarian of the Canadian Food Inspection Agency (CFIA) stating that the product has been subjected to heat treatment to a minimum Fc value of 3.0 and has undergone all precautions to avoid recontamination after treatment. An example of the health certificate for canned petfood is provided in Annex B of Commission *Decision 97/199/EC*.

Imports of semi-moist petfood must not contain processed animal protein derived from high-risk material not intended for human consumption. They should be accompanied by a health certificate as set out in Annex B of Commission *Decision 94/309/EC* stating that:

- the raw materials of animal origin used in the petfood were obtained solely from healthy slaughtered animals whose meat has been passed as fit for human consumption;
- the ingredients of animal origin have been subjected to a heat treatment of at least 90C throughout their substance;
- after processing, effective steps were taken to ensure that the consignment was not exposed to recontamination.

Dried petfood can only be manufactured using low-risk materials and must have a health certificate as set out in Annex C of Commission *Decision 94/309/EC* which states that:

- the dried petfood consists of products of slaughtered animals heat-treated at a temperature throughout their substance of at least 90C;
- after heat treatment, every precaution was taken to ensure that the product was not contaminated in any way prior to shipment;
- the product is packed in new containers (bags or sacks);
- the production process has been tested, with satisfactory results, in accordance with the standards for salmonella and enterobacteriaceae.

The importation of untanned edible products for pets, made from skins of ungulates (dogchews), are authorized if they are accompanied by a health certificate as set out in Annex D of Commission *Decision 94/309/EC*. The products must have been subjected to a heat treatment during processing sufficient to destroy pathogenic organisms (including salmonella) and effective steps must be taken after processing to prevent contamination of the products.

Section C(d) Other Animal Products (page 27) explains the requirements of importing products of animal origin in accordance with Commission *Decision 97/534/EC*. This regulation, dealing with the spread of BSE through "specified risk material"in products of animal origin, may also be applicable to petfood.

Directive 90/667/EEC of 27th November 1990 and subsequent amendments
(OJ L 363 27.12.90 p51)

Directive 92/118/EEC of 17th December 1992 and subsequent amendments
(OJ L 062 15.03.93 p49)

Decision 94/309/EC of 27th April 1994 and subsequent amendments
(OJ L 137 01.06.94 p62)

Decision 97/199/EC of 25th March 1997 and subsequent amendments
(OJ L 084 26.03.97 p44)

Decision 97/534/EC of 30th July 1994 and subsequent amendments
(OJ L 216 08.08.97 p95)

Organic Foods

Currently there is rapidly growing demand for organic food in Europe. There has been a recent series of food scares that has heightened consumers concerns about the safety of the food that they eat. These food scares have included the "mad cow disease" as well as the recent case of dioxin contamination in Belgium's food supply. Many people are disillusioned about the effectiveness and objectivity of their regulatory agencies. This has caused many people to switch to eating more organic food because they feel that at least they will know that their food is safe.

The EU has recently implemented legislation that restricts the importation of organic products to those coming from countries whose organic regulatory standards have been approved by the EU as being equal to the EU regulations. This has created difficulties for Canadian exporters, as in the past there has not been one overall certifying body in Canada that certified all of Canada's organic

produce. Instead there were many different groups with varying standards. This problem is in the process of being rectified. Canada has developed a National Standard of Canada for Organic Agriculture. The Canadian Organic Advisory Board has been accredited as the certifying body for organic agricultural products by the Standards Council of Canada.

However, it will take up to a year before the EU completes the review of Canada's standards. It is expected that the EU will approve these standards as being equal to the EU's own standards. This will likely occur by Autumn 2000. When these standards have been approved, Canadian producers who meet the COAB standards will be eligible to sell in the EU without having to pass another certifying test. This will greatly aid in the export of organic products to the European Union.

This rapidly expanding niche market is one that is ideally suited for Canadian exporters to take advantage of. As in North America, European consumers are willing to pay a significant premium for organic produce. The rapidly increasing demand for organic products has also outstripped domestic supply, thereby necessitating the importation of many of these products. Therefore, it is an ideal time for Canadian exporters to access this market and to build confidence in our products, thereby enhancing the long time success of Canadian exports.

Genetically Modified Foods (Novel Foods)

Another major concern in Europe is the use of Genetically Modified Organisms (GMO's). There has been a consumer backlash against the approval and use of these crops in Europe. Much of this concern is unfounded and has not been backed by credible scientific research. It seems that much of the outrage over the use of these crops, appears to have been fanned by politicians and activist groups who have used this concern to further their political agendas. However, it is a fact, that European consumers in general now are suspicious of GMO's and many are altering their buying habits based on these concerns.

The Council recently agreed to extend a "de facto" ban on approving any new GMO's to be grown and sold in the EU. This also means that no imports can occur of crop varieties that are GM and are not approved in the EU. Therefore, Canadian exporters must be sure that the products they are selling are GMO free. It must also be noted that the EU requires that organic produce cannot be genetically modified. This precludes the use of GM crops that have already been approved in the EU.

VI. CANADIAN EXPORT REQUIREMENTS, RESTRICTIONS AND CONTROLS

In addition to European Union import requirements, exporters must comply with Canadian legislation which regulates, controls or prohibits the exportation of goods.

Department of Foreign Affairs and International Trade

Under the *Export and Import Permits Act*, certain agricultural and agri-food products require an export permit to be legally exported from Canada. These products are listed under Group 5 of the Export Control List established under the Act (Miscellaneous Goods).

The following are the agricultural products (with their classification number on the Export Control List) that require an export permit;

- 5001. Pancreas glands of cattle and calves. (all destinations)
- 5201. Peanut Butter classified under tariff item No. 2008.11.10 of Schedule I to the *Customs Tariff*. (all destinations)

In addition to obtaining the proper permits from DFAIT for these products, it is advisable to check with the Department of Foreign Affairs and International Trade, when exporting other products, in order to verify that you are not violating Canadian restrictions or prohibitions with embargoed goods, domestic shortages, etc.

Environment Canada

Canada is a signatory to the *Convention on International Trade in Endangered Species*, commonly known as CITES. Under Environment Canada's *Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act* (WAPPRIITA), exportations of species controlled under CITES, including their parts and products (e.g. food or meat derived from them), must be accompanied by a proper export permit. Export permits are issued by provincial / territorial Environment ministries, except in Alberta, where permits are issued by Environment Canada. Contact the Canadian Wildlife Service for additional information concerning CITES and WAPPRIITA export requirements.

Environment Canada also issues export permits for fish and marine mammals on behalf of the Department of Fisheries and Oceans.

Revenue Canada

Export reporting requirement

The main document required by the federal government is the Export Declaration, form B13A. You are required to submit a customs Export Declaration when exporting a shipment of goods to the European Union valued at CAN$2,000 or more, or any shipment of goods that are controlled, regulated or prohibited, regardless of its value.

You may report in one of three ways: on a transactional method, by submitting a form for every shipment at the point of exportation; if you apply to Revenue Canada, on a summary reporting method, by sending a monthly summary of shipments to Statistics Canada; or, if you are a registered exporter / agent, electronically, using the Canadian Automated Export Declaration (CAED) program.

Contact your nearest Revenue Canada Customs office for information, to obtain the brochure "*Exporting Goods from Canada*" or a copy of the Export directive.

Other Government Departments Requirements

Revenue Canada administers a wide range of legislation on behalf of other government departments and agencies. Contact them to verify the export requirements of your goods, or to obtain contact points in other departments and agencies.

Canadian Wheat Board (CWB)

The CWB has exclusive jurisdiction to export Canadian wheat and barley. For further information contact the CWB at:

Canadian Wheat Board
P.O Box 816 Stn. M
Winnipeg, Manitoba
R3C 2P5
Phone: (204) 983-3421
Fax: (204) 983-4678
Toll Free: 1-800-275-4292

VII. ANNEXES

Annex I: References / Bibliography

Agri-Food Trade: An Action Plan for the European Union. June 1997.

Canadian Exporters' Guide to Food Labelling and Packaging Requirements of the European Union. Canadian Mission to the European Union, May 1997.

European Union Market Assessment Report. December 1996.

Guide to Country Risks and Opportunities. Export Development Corporation, March 1998.

Handbook to the European Union - a Canadian Perspective. The Canadian Mission to the European Union, January 1999.

Meat Hygiene Manual of Procedures . January 6, 1999. Internet.

http://www.cfia-acia.agr.ca/english/animal/meat/mmop/main.html (17/5/99).

Weidenfeld, Werner and Wolfgang Wessels. *Europe from A-Z: Guide to European Integration.* Luxembourg: Office for Official Publications of the European Communities, 1997.

Government Documents:

Convention on International Trade in Endangered Species (CITES).

Export Control List. *Export and Import Permits Act.*

Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act (WAPPRIITA)

Unpublished government data.

Other Sources of Information:

Agriculture and Agri-Foods Canada personnel

Canadian Food Inspection Agency personnel

Department of Foreign Affairs and International Trade personnel

Annex II: Useful Contacts

1) AGRICULTURE AND AGRI-FOOD CANADA (AAFC)

Agri-Food Trade Service

The purpose of the ATS is to provide simplified centralized access to international market information/intelligence, export trade counselling and export support activities, which will take the exporter from initial enquiry to foreign market.

Close coordination between Agriculture and Agri-Food Canada (AAFC), the Department of Foreign Affairs and International Trade (DFAIT), and six other federal departments as well as with regional players such as Canada Business Service Centres aims to ensure that clients receive "virtual single window" treatment from any government department or agency that may be their first point of contact.

The ATS also expands on the functions and programs offered by the International Markets Bureau of the Market and Industry Services Branch.
http://ats-sea.agr.ca

Agriculture and Agri-Food Canada (AAFC)
http://aceis.agr.ca/newintre.html

2) DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE (DFAIT)

Enquiries Service
Department of Foreign Affairs and International Trade
125 Sussex Drive
Ottawa, Ontario
K1A 0G2
Tel: 1-800-267-8376 (or 944-4000 in the National Capital Region)
http://www.dfait-maeci.gc.ca

- **Win Exports** - is a national database that lists all current and recent Canadian exporters by product category. It is maintained by DFAIT and is used by Canada's trade officials abroad as the primary mechanism for finding Canadian sources of supply in response to requests from foreign buyers. Canada's trade commissioners also use WIN to screen firms and enquiries to ensure that they are working with "bona fide" Canadian exporters. ATS upgrades and maintains the agri-food portion of WIN.
  http://www.infoexport.gc.ca/section2/winexp-e.asp
- **International Business Opportunities Centre (IBOC)** - provides timely and accurate responses to foreign buyer requests for Canadian sources of supply. IBOC uses the WIN database to identify sources and then contacts these sources on behalf of Canada's trade officials abroad. ATS provides a full-time agri-food officer to IBOC to respond to requests for Canadian agri-food sources of supply.
- ExportSource - Team Canada on-line service for Canadian businesses seeking specific export information. Single access point for information retrieval from all trade-related government departments and agencies on subjects such as market conditions, exporting regulations, financing, trade agreements, and domestic and foreign contacts.
  http://exportsource.gc.ca
- **InfoExport** - designed to support Canadian companies in their efforts to export. Provides information and services to help companies measure their export potential, prepare for a new foreign market, and develop and implement a market entry strategy. Provides sector-specific market reports (market information by region and sector).
  http://www.infoexport.gc.ca

- **Team Canada Inc Export Information Service**
  1-888-811-1119
- **Team Canada Market Research Centre** - researches and produces sectoral market reports which identify market opportunities. Reports are available by country or sector. They contain an overview, a section on customers and distribution channels, an analysis of principal market access issues, and a listing of key promotional venues, such as trade fairs.
  http://exportsource.gc.ca/part_e.htm
- **Trade Commissioner Service**
  http://www.infoexport.gc.ca/section3/menu-e.asp

3) CANADIAN FOOD INSPECTION AGENCY (CFIA)

59 Camelot Drive
Nepean, Ontario
K1A 0Y9
Tel: (613) 225-2342
Fax: (613) 228-6653
E-mail: cfiamaster@em.agr.ca
http://www.cfia-acia.agr.ca

4) THE MISSION OF CANADA TO THE EUROPEAN UNION AND EMBASSIES IN EU MEMBER STATES

The Mission of Canada to the European Union
2 avenue de Tervuren
1040 Brussels
Belgium
Tel: (011 32 2) 741-0660
Fax: (011 32 2) 741-0629
E-mail: breec@dfait-maeci.gc.ca
http://www.dfait-maeci.gc.ca/eu-mission

Austria
The Canadian Embassy
Laurenzerberg 2
A-1010, Vienna
Austria
Tel: (011 43 1) 531 38 3000
Fax: (011 43 1) 531 38 3321
E-mail: vienn@dfait-maeci.gc.ca
Belgium
The Canadian Embassy
Avenue de Tervuren 2
1040 Brussels
Belgium
Tel: (011 32 2) 741-0611
Fax (Commercial): (011 32 2) 741-0606
E-mail: bru@dfait-maeci.gc.ca
http://www.infoexport.gc.ca/be
Denmark

Italy
The Canadian Embassy
Via G.B. de Rossi, 27
00161 Rome
Italy
Tel: (011 39 06) 44598.1
Fax: (011 39 06) 44598.750
E-mail: rome@dfait-maeci.gc.ca
http://www.canada.it
Luxembourg
The Canadian Embassy to Luxembourg
c/o The Canadian Embassy
avenue de Tervuren 2
1040 Brussels
Belgium
Tel: (011 32 2) 741-0611
Fax (Commercial): (011 32 2) 741-0606
E-mail: bru@dfait-maeci.gc.ca

The Canadian Embassy
Kr. Bernikowsgade 1
1105 Copenhagen K
Denmark
Tel: (011 45) 33 48 32 00
Fax: (011 45) 33 48 32 20
E-mail: copen@dfait-maeci.gc.ca
http://www.canada.dk

Finland
The Canadian Embassy
P. O. Box 779
00101 Helsinki
Finland
Tel: (011 358 9) 17 11 41
Fax: (011 358 9) 60 10 60
E-mail: hsnki@dfait-maeci.gc.ca
http://www.canada.fi

France
The Canadian Embassy
35-37, avenue Montaigne
75008 Paris
France
Tel: (011 33 1) 44 43 29 00
Fax: (011 33 1) 44 43 29 99
E-mail: paris@dfait-maeci.gc.ca
http://www.amb-canada.fr

Germany
The Canadian Embassy
Internationales Handelszentrum Friedrichstraße 95,
23rd Floor
10117 Berlin
Germany
Tel: (011 49 30) 20312-0
Fax: (011 49 30) 20312-590
E-mail: brlin@dfait-maeci.gc.ca
http://www.kanada-info.de

Greece
The Canadian Embassy
4 I. Gennadiou Street
Athens 115 21
Greece
Tel: (011 30 1) 727-3400
Fax (Commercial): (011 30 1) 727-3460
E-mail: athns@dfait-maeci.gc.ca

Ireland
The Canadian Embassy
65 St. Stephen's Green
Dublin
Ireland
Tel: (011 353 1) 478-1988
Fax: (011 353 1) 478-1285
E-mail: dubln@dfait-maeci.gc.ca
http://www.infoexport.gc.ca/be

Netherlands
The Canadian Embassy
Sophialaan 7
2514 JP The Hague
Netherlands
Tel: (011 31 70) 311-1600
Fax: (011 31 70) 311-1620
E-mail: hague@dfait-maeci.gc.ca
http://www.dfait-maeci.gc.ca/~thehague

Portugal
The Canadian Embassy
Avenida da Liberdade, 144/56, 4th Floor
1269-121 Lisbon
Portugal
Tel: (011 351 1) 347-4892
Fax: (011 351 1) 347-6466
E-mail: lsbon@dfait-maeci.gc.ca

Spain
The Canadian Embassy
Apartado 587
28080 Madrid
Spain
Tel: (011 34) 91-423-3250
Fax: (011 34) 91-423-3251
E-mail: mdrid-gr@dfait-maeci.gc.ca
http://www.canada-es.org

Sweden
The Canadian Embassy
P. O. Box 16129
10323 Stockholm
Sweden
Tel: (011 46 8) 453 3000
Fax: (011 46 8) 24 24 91
E-mail: stkhm@dfait-maeci.gc.ca
http://www.canadaemb.se

United Kingdom of Great Britain and Northern Ireland
The Canadian High Commission
Macdonald House
1 Grosvenor Square
London, United Kingdom
WIX 0AB
Tel: (011 44 171) 258-6600
Fax: (011 44 171) 258-6333
E-mail: ldn@dfait-maeci.gc.ca
http://www.dfait-maeci.gc.ca/london

5) OTHER DEPARTMENTS AND AGENCIES

Atlantic Canada Opportunities Agency (ACOA)
Head Office
644 Main Street
P.O. Box 6051
Moncton, New Brunswick
E1C 9J8
Tel: (506) 851-2271 or 1-800-561-7862
Fax: (506) 851-7403
E-mail: comments@acoa.ca
http://www.acoa.ca
Business Development Bank of Canada (BDC)
1-888-INFO BDC (1-888-463-6232).
http://www.bdc.ca
Canadian Commercial Corporation (CCC)
1100 - 50 O'Connor Street
Ottawa, Ontario
K1A 0S6
Tel: (613) 996-0034 or 1-800-748-8191
Fax: (613) 995-2121
E-mail: info@ccc.ca
http://www.ccc.ca
Canada Economic Development for Québec Regions Agency
http://www.dec-ced.gc.ca/en/menu.htm
Canadian International Development Agency (CIDA)
http://www.acdi-cida.gc.ca/index-e.htm
Canadian Wheat Board (CWB)
P.O Box 816 Stn. M
Winnipeg, Manitoba
R3C 2P5
Tel: (204) 983-3421 or 1-800-275-4292
Fax: (204) 983-4678
Environment Canada
Inquiry Centre
351 St. Joseph Boulevard
Hull, Quebec
K1A 0H3
Tel: (819) 997-2800 or 1-800-668-6767
Fax: (819) 953-2225
E-mail: enviroinfo@ec.gc.ca
http://www.ec.gc.ca
Canadian Wildlife Service
Environment Canada
351 St. Joseph Boulevard
Hull, Quebec
K1A 0H3
Tel: (819) 997-1095
Fax: (819) 997-2756

Export Development Corporation (EDC)
151 O'Connor Street
Ottawa, Ontario
K1A 1K3
Tel: (613) 598-2500
Fax: (613) 598-6697
E-mail: export@edc-see.ca
http://www.edc.ca
Farm Credit Corporation
Corporate Head Office
1800 Hamilton St.
P.O. Box 4320
Regina, Saskatchewan
S4P 4L3
Tel: (306) 780-8100 or 1-800-387-3232
Fax: (306) 780-5456
E-mail: contactfcc@fcc-sca.ca
http://www.fcc-sca.ca
Industry Canada (IC)
http://www.ic.gc.ca
Strategis
1-800-328-6189 (Canada) or (613) 954-5031
http://strategis.ic.gc.ca
Natural Resources Canada
Tel: (613) 995-0947
E-mail: questions@NRCan.gc.ca
http://www.nrcan.gc.ca
Revenue Canada (Customs)
http://www.rc.gc.ca
Statistics Canada - CANSIM / database and info retrieval service
Tunney's Pasture
Ottawa, Ontario
K1A 0T6
National Toll-Free Enquiries Line (Canada and United States): 1-800-263-1136
http://www.statcan.ca

Canadian Automated Export Declaration (CAED) program

http://www.statcan.ca/english/exports/index.htm
Western Economic Diversification Canada (WEDC)
1-888-338 WEST (9378)
http://www.wd.gc.ca

http://www.cws-scf.ec.gc.ca

6) EUROPEAN UNION INSTITUTIONS
http://www.europa.eu.int

Annex III - Useful Publications

Agri-Food Trade: An Action Plan for the European Union. June 1997.

Canadian Exporters' Guide to Food Labelling and Packaging Requirements of the European Union. Canadian Mission to the European Union, May 1997.

Available on the Internet in English at http://atn-riae.agr.ca/public/htmldocs/e1429.htm or in French at http://atn-riae.agr.ca/public/htmldocs/f1429.htm

European Union Market Assessment Report. December 1996.

Exporting Goods from Canada. Revenue Canada.

Guide to Country Risks and Opportunities. Export Development Corporation, March 1998.

Handbook to the European Union - a Canadian Perspective. The Canadian Mission to the European Union, January 1999.

Meat Hygiene Manual of Procedures . January 1999.

http://www.cfia-acia.agr.ca/english/animal/meat/mmop/main.html

Weidenfeld, Werner and Wolfgang Wessels. *Europe from A-Z: Guide to European Integration.* Luxembourg: Office for Official Publications of the European Communities, 1997.

Whalen, Michael and Donald Ross. *The Atlantic Agri-Products Trade Primer*. November 1997.

1. This is not "The European Council." According to the Treaty on European Union (the Maastricht Treaty, 1992), the European Council is a meeting between Heads of State (of the member countries of the EU) and their Foreign Affairs Ministers, with the President and one other member of the Commission. The role of these meetings is to foster and encourage direct political cooperation and coordination of Member State policies.

2. This is the price floor that the EU has set. When the price of agricultural commodities drops below this price, the EU will intervene and buy up some of the surplus food thus raising the price that producers receive. For many commodities the intervention price is quite high.

3. The compensation that is referred to here, simply means that the EU will directly pay the producers an increased subsidy as compensation for the reduced intervention price.

4. Since the EU has high subsidies for many agricultural products there tends to be overproduction. Therefore, in order to reduce the amounts of surplus food produced (which the EU has to buy and then use subsidies to sell on the export market) the EU has paid farmers to "set aside" a certain percentage of their land and not produce certain commodities on that land.

5. This is the publication reference number for the Official Journal of the European Communities. The reference number provides the series and number of the Official Journal (ie. OJ L 071 is series L, number 71), the date of publication (18.03.99), and the page number (p1). Legislation is found in the Official Journal under the year of

publication and then by series and number. Legislation can also be found on the Internet at http://www.europa.eu.int/eur-lex/en/search.html A search can be conducted using text, the OJ reference number, or the actual number of the legislation (ie. 1999/201/EC). Note that a document number will include a letter to represent the type of legislation (ie. a decision is labelled D, a directive is L, and a regulation is R).

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