
**Private Standards:
A Canadian Case Study**
CANADAGAP 

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*Growing Canada's Agricultural Economy: The Role of
Trade, 3rd Annual Canadian Agricultural Policy
Conference, Ottawa, January 2013*

Case Study: CanadaGAP™

- The CanadaGAP Program is an example of a private standard that has served to enhance market access for its users
- Domestic and international
- A comprehensive food safety program designed for Canadian companies who sell fresh fruits and vegetables
- Developed to **respond** to market pressures
- Starting in 1990s and continuing: a growing number of food safety issues and outbreaks related to fresh produce
- Perceived or real absence of government oversight/regulation of the industry (reflected in subsequent legislative modernization initiatives around the world)

Market Pressure

- Heightened consumer awareness
- Buyer concerns: liability , due diligence
- Response in 1990s-2000s:
 - customers implemented supplier verification programs
 - proliferation of proprietary requirements (specific to each retailer, processor, manufacturer)
- Very costly to whole industry: conflicting standards, multiple audits, frustration, duplication, wasted effort, etc.
- Recognized need for a more standardized approach to level the playing field and contain costs

Program Development

- In Canada, industry came together in its desire for a national, voluntary approach
- Led to development of food safety program for fruit and vegetable suppliers – CanadaGAP
- Developed for and by industry
- Developed with participation and buy-in from stakeholders across the chain (buyers and sellers, government officials)
- Efforts led and coordinated by the Canadian Horticultural Council, the national industry association for the primary production sector

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Program Development (cont.)

- Development of CanadaGAP made possible thanks to federal public sector funding from Agriculture and Agri-Food Canada
- Developed within the context of the Canadian Government Food Safety Recognition Program
 - Federal-provincial-territorial initiative
 - Process led by the Canadian Food Inspection Agency
- Program required to be: auditable, rigorous, HACCP-based, founded on published, peer-reviewed science
- Successfully completed Government Technical Reviews – a five-year undertaking

“Voluntary” Standard

- Not mandated by the program originator (the industry trade association, CHC)
- Not mandated by government
- **Voluntary** standard becomes *de facto* mandatory when all or part of the marketplace makes it a requirement to sell product
- Becomes a pre-requisite to trade
- Customers seeking “business to business” assurance that safe production practices are in place
 - Certification is not visible to consumers
 - Product bears no label as “certified”; certification applies to the **facility**, not to the product

Customer Acceptance in Canada

- CanadaGAP certification mandated by numerous Canadian buyers:
 - Retailers: Loblaw Companies Ltd., Metro Inc., Wal-mart, Safeway, Sobeys, etc.
 - Food service companies supplying restaurants and institutions: Sysco, Gordon Food Service, etc.
 - Food processors and manufacturers: McCain Foods Canada, Simplot, Lamb-Weston, Cavendish – many supplying multinational Quick Service Restaurants such as McDonalds, Burger King, Taco Bell, Subway, etc.
 - Next: more restaurants, hotels, hospitals, schools?
- Not required by ALL customers, which can create unlevel playing field and cause market disruptions

Demand for GFSI

- CanadaGAP certification accepted abroad mainly because the program has been formally recognized by GFSI
- Demand for certification to GFSI-recognized programs increasing globally, including in the U.S. – Canada's main export market for fresh produce
- **Mandated** by a growing list of retailers in Canada
- By 2009 market signals evident: CanadaGAP must benchmark to GFSI requirements to maintain customer acceptance for the program domestically and in foreign markets
- Received GFSI recognition in 2010, becoming the first food safety program developed in Canada to reach this milestone

GFSI Recognition

- GFSI recognition secured acceptance of CanadaGAP among customers and opened up new markets for program users
- GFSI a growing force internationally
- GFSI requirements borrow from and are modeled on private and public sector international standards and systems, e.g.:
 - GFSI's requirements for the technical standard are based on CODEX
 - GFSI's certification and management system requirements are linked to and rely on ISO standards for :
 - conformity assessment systems
 - third party certification
 - requirements for certification bodies
 - requirements for accreditation bodies.

Opportunities for Convergence

- No question: international public standard-setting systems (e.g., CODEX) cannot keep pace with changes demanded in the market
- Growing convergence between public and private approaches?
- Many opportunities to partner, build on and leverage complementary initiatives
- Strain on public sector resources and limitations to private (industry) investment – need to avoid duplication
- Linkages being explored and cultivated between private sector schemes and governments

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Convergence (cont.)

- GFSI has established linkages with CODEX, the World Bank, various national governments (as well as ISO, IAF, EA,...)
- US FDA responsible for FSMA implementation examining private standards/systems as potential complements to public oversight and monitoring:
 - GFSI approach and ISO systems
 - Third party certification and accreditation
 - Supplier verification programs
 - Recognition of GFSI-benchmarked programs?
- Canadian government may consider the same within the context of its own regulatory and inspection modernization initiatives? (one model: Canadian Organic Standards system)

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