



Keeping Trade on Track

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Safe Food for Canadians Regulations

Part 6, Division 6 – Fresh Fruits or Vegetables Subdivision C – Regulatory requirement for a membership in the Fruit and Vegetable Dispute Resolution Corporation (DRC)

On June 13, 2018, the *Safe Food for Canadians Regulations* (SFCR) were published in *Canada Gazette*, Part II and will come into force on January 15, 2019.

Although much of the detail contained in the regulations concerns food safety and traceability, there are important **trade and commerce requirements which pertain specifically to buyers and sellers of fresh fruits and vegetables.**

Membership in the DRC is required to trade fresh fruits and vegetables (i.e.: buy, sell, import, export) unless otherwise excepted by regulation. This will result in a regulatory requirement to be a member in good standing of the DRC for some buyers and sellers of fresh fruits and vegetables who were not previously subject to the requirement for a CFIA Produce Licence.

ABOUT THE DRC

Canada's Fruit and Vegetable Dispute Resolution Corporation (DRC) was established in February 2000 pursuant to Article 707 of NAFTA, which provided for the creation of a private commercial dispute resolution body for trade in agricultural commodities.

Today, the DRC has members from Canada, the United States, Mexico as well as numerous other countries.

The SFCR: Part 6, Division 6, Subdivision C – Trade of Fresh Fruits or Vegetables

Prohibition	Exception – persons *
122 (1) It is prohibited for a person to	(2) Subsection (1) does not apply in respect of
<p>(a) sell any fresh fruits or vegetables that are to be exported or sent or conveyed from one province to another;</p> <p>(b) purchase or negotiate the purchase on another person's behalf of any fresh fruits or vegetables that are to be imported or to be sent or conveyed from one province to another;</p> <p>(c) receive any fresh fruits or vegetables that have been imported or sent or conveyed to from one province to another; or</p> <p>(d) send or convey from one province to another or import or export any fresh fruits or vegetables.</p>	<p>(a) any person who is a member in good standing of the Fruit and Vegetable Dispute Resolution Corporation, a corporation incorporated under Part 2 of the <i>Canada not-for-profit Corporations Act</i>, as described in its bylaws;</p> <p>(b) any person who only sells fresh fruits or vegetables directly to consumers if that person paid less than \$100,000 for the fresh fruits and vegetables that they sold to consumers within the previous 12 months;</p> <p>(c) any person who only purchases, sells or negotiates the purchase or sale on another person's behalf, sends or conveys from one province to another or imports or exports less than one metric ton of fresh fruits and vegetables per day;</p> <p>(d) any person who only sells fresh fruits or vegetables that they have grown themselves; or</p> <p>(e) a registered charity as defined in subsection 248(1) of the <i>Income Tax Act</i> or a club, society or association described in paragraph 149(1)(1) of that Act.</p>
	Exception – nuts, wild fruit and wild vegetables
	(3) Subsection (1) does not apply in respect of nuts, wild fruit and wild vegetables.

* a person can be an individual or an organization – including an association, company and corporation; includes other recognized legal entities such as LLC, partnerships, etc.

Transitioning to the *Safe Food for Canadians Regulations*

For members of the DRC, it is business as usual and no action is required. However, if you buy, sell, import or export fresh fruits and vegetables and are not a member of the DRC, it is important to determine if you require a DRC membership.

What do I need to do?	No Action	Action Required
• I have a DRC membership	✓	
• I do not have a DRC membership and I am exempt	✓	
• I do not have a DRC membership, and I am not exempt		Secure a DRC membership prior to January 15, 2019, the coming into force date of the SFCR.
• I do not have a DRC membership, and I am not sure if I am exempt		Contact the DRC Help Desk for assistance. If it is determined that you are subject to the requirement, you will need to prepare to secure a DRC membership prior to the coming into force date of the SFCR.

The DRC has developed a series of self-assessment tools to assist in determining whether or not a DRC membership is needed in order to comply with the new regulatory requirement:

- DRC SFCR Outreach Backgrounder
- Agent, Grower's Agent, Broker
- Farm Markets & Direct to Consumers
- Grower, Shipper, Packer
- Retail, Food Service & Restaurants
- Wholesalers & Distributors

The goal is to ensure a smooth transition to the *Safe Food for Canadians Regulations*. Members of the DRC team are available to attend events across the country to make presentations. The DRC Help Desk is also available to provide information and assist you.

DRC Team




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DRC team members are pleased to provide services in English, French and Spanish

Help Desk

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Important note:

A DRC membership does not fulfill the regulatory requirement for a CFIA food safety licence as required in the *Safe Food for Canadians Regulations*. Depending on the nature of an operation, both a DRC membership and a CFIA food safety licence may be required.

Questions related to food safety and traceability should be directed to:

CFIA (*Safe Food for Canadians Act and Safe Food for Canadians Regulations*)

www.inspection.gc.ca

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