



TPSA Project Conducts a Workshop to Share Canadian Practices in Standards and Food Safety Systems

Building the capacity of government officials to negotiate multilateral, regional, and bilateral trade agreements and establish and implement an export promotion strategy has become a priority for Indonesia. A recent workshop explored how Indonesian small and medium-sized enterprises (SMEs) can increase their exports by strengthening their involvement in the standards and food safety areas, and how government agencies and business associations can align their activities to make good use of standards and regulations to support exports of SMEs to Canada and other countries.

Capacity-Building Is the Key

On May 16–17, 2016, the Canada-Indonesia Trade and Private Sector Assistance (TPSA) Project of The Conference Board of Canada, in collaboration with the Ministry of Trade, undertook a two-day workshop in Jakarta on Canadian standards and food safety systems and practices. This workshop was part of a series of training initiatives to ensure government officials are equipped with the skills and knowledge required to pave the way for Indonesia to enhance its global trade performance.

Over 30 officials from the ministries of trade, agriculture, industries, and fisheries; National Standardization Agency (BSN); and National Agency of Drug and Food control (BPOM) attended, as well as four representatives from Indonesian tea, coffee, cocoa, and food and beverage associations. The senior trade expert of the TPSA team facilitated the workshop preparation and delivery. Two Indonesian officials from BSN and BPOM made presentations on Indonesian standardization and food safety



Participants study the materials on Canadian standards and food safety systems.

systems and practices. Two Canadian officials from the Standards Council of Canada (SCC) and one expert formally associated with the Canadian Food Inspection Agency (CFIA) also made presentations. The Canadian presentations explored how Canadian systems and practices could be applied to Indonesia's activities to facilitate trade.



Workshop Themes

The workshop centred on the following key themes, and was intended to deepen the knowledge as well as to build the capacity of the participants in each of these areas:

1. Indonesian standardization and accreditation systems;
2. Indonesian food inspection and certification systems;
3. introduction to the Canadian standardization system;
4. introduction to the Canadian food safety and sanitary and phytosanitary (SPS) systems;
5. Canada's participation in international standards bodies and the World Trade Organization's (WTO) Technical Barriers to Trade (TBT)—promotion of Canada's trade with other countries;
6. Canadian accreditation system and conformity assessment;
7. compliance with the food safety, animal health, and plant health regulations in Canada;
8. case studies on Canadian standards/food safety systems and Canada's imports/exports;
9. roundtable discussion on what Indonesia can learn from Canadian standards and SPS/food safety systems and practices.

What Is the Standards Council of Canada?

The Standards Council of Canada (SCC) is a federal crown corporation that leads and facilitates the development and use of national and international standards to enhance Canada's competitiveness and well-being. SCC coordinates the standardization activities for Canada at the national, regional, and international levels; accredits standards development organizations and conformity assessment bodies; and advises governments, industry, and consumers on issues related to standardization. SCC's work is funded by both the federal government and revenue generated primarily from its accreditation program and sale of standards.

The Canadian Standards System and Current Environment

SCC accredits organizations that develop Canadian national standards and accredits testing labs, inspection bodies, and certification bodies.



Participants at the workshop in Jakarta.

Standards development organizations (SDOs) may be accredited by SCC to develop or adopt international standards for Canada when they demonstrate that they meet the requirements set by SCC. Those that are accredited must follow the principles outlined in the WTO TBT agreement, meet the directives of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), and comply with the requirements set by SCC to ensure Canada's national interests are considered.

The number of standards specific to Canada is decreasing, while an increasing number of international standards are being adopted. Strategic involvement in international standardization is key to helping Canada keep up with an increasingly competitive and globalized economy. Canadian industry, consumers, and government stakeholders all play a part in the standardization system and their participation at the ISO and the IEC is facilitated by SCC.

Key Canadian Stakeholders

SCC participates in international and regional conformity assessment activities, such as the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC). This adds to the international recognition of SCC as the national accreditation body and to the increased acceptance of accredited certification bodies.

At the provincial and territorial level, representatives from the ten Canadian provincial and three territorial governments form various regulatory authority advisory bodies (RAABs), which



are the forums to develop aligned responses to national public safety issues, coordinate regulations requirements, standards and conformity assessment activities, and resolve issues of national importance.

SCC sees that engagement with industry, consumers, and government is essential to effectively advance standardization in ways that benefit Canada. Some of SCC's initiatives include industry forums, the Consumer and Public Interest Panel, and collaboration with the federal assistant deputy ministers committee on standardization, which identifies and validates standardization priorities for Canada. Each of these forums facilitates greater engagement with stakeholder groups and helps SCC better understand their concerns and needs for standardization solutions.

How Does Accreditation Work in Canada?

Accreditation is the formal recognition by an accreditation authority to the competence of a conformity assessment body to carry out their services in accordance with requirements usually set by international standards bodies such as ISO and IEC. The Standards Council of Canada accreditation of SDOs and conformity assessment bodies (CABs) gives international credibility to the certifications and standards produced by these organizations. The SCC accreditation process begins with an application to one of the eight SCC's accreditation programs, and is followed by the review of the application, the initial planning, on-site assessment, resolution of assessment findings, and the final accreditation that is followed by an on-going maintenance process.

Areas Where Canada Provides Accreditation Services

SCC accredits over 400 conformity assessment bodies, which in turn test or certify millions of products, services, or systems for the Canadian and international marketplace. In accepting applications from outside Canada, SCC respects the IAF Cross Frontier Policy. As such, if an applicant to the SCC is not based in Canada and is not seeking accreditation in a regulated area, SCC will recommend that the applicant seek accreditation from the local accreditation body. The applicant,

however, may choose to continue the accreditation process with SCC.

SCC has accreditation programs for standards development organizations (SDOs); calibration and testing laboratories; greenhouse gas validators and verifiers; Good Laboratory Practices (GLP); inspection bodies; and organizations offering certification of management systems, persons, or products/services.

Cooperation Between National Accreditation Bodies

Mutual recognition agreements (MRAs) are legally binding negotiated agreements based on specific regulated products. They can be negotiated between governments, between accreditation bodies, and between testing and certification organizations. Multilateral recognition agreements (MLAs) are voluntary agreements among accreditation bodies that operate on the basis of the recognition of technical equivalency among signatories. They ensure that procedures meet the requirements of a given standard. An MLA is also a confidence-building mechanism, as it helps to ensure the competence of the CABs in economies exporting to Canada, and vice versa. Both types of agreements help reduce barriers to trade, increase access to foreign markets, and reduce cost and delays associated with duplicative testing of products.

SCC is a member of the IAF and ILAC MLA/MRAs, which provide a means to recognize the equivalence of accreditations issued by members' accreditation bodies. Accreditation bodies participate in mutual peer evaluations based on the requirements of ISO/CASCO documents, IAF, and ILAC-specific application documents. The result of joining the IAF or ILAC MLA/MRA is that accreditations issued by any one of the signatories to the MLA/MRA should be recognized by other signatories to the MLA/MRAs (and, by extension, accredited certificates should be recognized).

How Cooperation Works Between Federal and Provincial Governments

SCC provides accreditation of certification bodies in Canada. The certification bodies delivering conformity assessment and certifications to provincial/



territorial codes and standards would be accredited by SCC. Standards and codes are developed at the national level and are adopted and enforced (and occasionally adapted) at the provincial level. SCC's current strategic priority is focusing on a new governance framework, one that aligns standards and regulatory practices between the provinces/territories. In this strengthened governance framework, the regulatory authority advisory bodies and the strategic committees from across Canada will be united under a single comprehensive agreement that is facilitated, coordinated, and overseen by SCC. Currently there are agreements signed with the National Public Safety Advisory Committee and the Canadian Advisory Council on Electrical Safety.

Financial Cost of Not Aligning With Trade Partners

Canada and the United States together form one of the largest bilateral trade relationships in the world. Trade in goods and services between the two countries totalled almost US\$870 billion in 2014, and trade in goods alone between all North America Free Trade Agreement (NAFTA) partners, which includes Mexico, surpassed US\$1.1 trillion. SCC has taken more specific steps to reduce duplicative standardization and testing in North America. Differences in standards and regulations within Canada and between Canada and other countries are costly and exacerbate the price gap between consumer products in Canada and other countries. It has been estimated that unnecessary regulatory differences and duplication in certification and testing methods between Canada and the United States can add between 2 and 10 per cent of the final cost of a product. This duplication creates higher prices for producers and consumers.

Successful Case Study—Joint Canada–U.S. National Standards

SCC is currently working on cross-border harmonization initiatives such as the joint development of standards to reduce non-tariff barriers and facilitate the flow of trade between Canada and the United States. The objective is greater harmonization of standards and regulations between Canada and the United States, reducing the costs of compliance for Canadian companies and reducing the price gap on consumer goods for all



Wenguo Cai, Canadian Senior Trade Expert, shares information on how federal and provincial governments cooperate on Canadian safety standards.

Canadians. Greater harmonization and a reduction in duplicative testing could pay huge dividends in both countries.

As part of the strategy to reduce duplicative standardization between Canada and the U.S., a new type of joint standard has been developed, supporting SCC's vision of "one standard—one test—accepted everywhere." These standards are developed by SDOs that are accredited by SCC and the American National Standards Institute (ANSI). The membership of the technical committees is balanced with stakeholders representing the interests of both countries. The resulting single document standard that is published meets all of the requirements of ANSI and SCC and therefore is easily recognized under a single designation and accepted on both sides of the border. To date, SCC has facilitated the development of three joint Canada–U.S. national standards.

Case Study: Personal Floatation Devices

One of the SCC-accredited SDOs, safety science company UL, leveraged its ANSI and SCC standards development accreditation to facilitate a standards development process through a single binational technical committee for marine transportation. UL's processes ensured that both ANSI and SCC requirements were met. This was the first time that a joint national standard—one single document—was developed for Canada and the United States. It resulted in a single North American label of the product, which received U.S. Coast Guard and Transport Canada approval. A personal floatation



device meeting the requirements of this standard will be permitted to be sold and used in both Canada and the United States.

There are a number of benefits related to harmonization. It creates a single designated standard for both Canada and the U.S. with simultaneous adoption in both countries, lowering costs for companies on both sides of the border for labelling of products, retail collateral, and compliance testing costs. It also enhances coordination between the two national technical committees—the U.S. Technical Advisory Group and the Canadian Mirror Committee. It also helped close the gap between ISO standards and the North American market by adopting the ISO standard requirements for the labelling of the product. The new harmonized labels and retail sale placards will facilitate greater market access, clearer understanding of the regulatory requirements on this product, and cost/time efficiencies for manufacturers. Finally, it should result ultimately in more people wearing personal floatation devices and higher safety of citizens.

Case Study: Consumer Product Safety for Toys

SCC focused on ways to use the voluntary standardization system to advance regulatory goals and in particular enhanced consumer product safety. In 2008, an agreement with Health Canada was signed to increase the use of the National Standards System to address issues related to consumer product safety in Canada.

As a result of this agreement, SCC proceeded with the development of a standards- and certification-based strategy promoting consumer product safety. Under the approved strategy, SCC created a consumer product matrix tool that included a standards map prototype. The objective was to develop a prototype to map current standards in multiple jurisdictions (i.e., Canada, U.S., European Union, Australia, ISO, and IEC) for each product category (e.g., children's jewelry and toys) listed under the *Canada Consumer Product Safety Act*. Currently, Health Canada has a one-of-a-kind user-friendly online database providing the link between the consumer product categories, the jurisdictional regulations, the standards,

the conformity assessment requirements, and the classification of hazards. This database is particularly relevant to industry (e.g., importers, exporters, manufacturers, distributors, advertisers, and sellers) and can also be used by Health Canada for its own research and analytical work. At this date, the tool had not yet been released for public access.

International Standardization Is Important to Canada

Canada is the 11th-largest export economy in the world. Some estimates have shown that roughly 60 per cent of Canada's GDP is generated by international trade. As tariffs come down, non-tariff barriers take on increased importance. International standardization is therefore an important strategic issue if Canada is to help its entrepreneurs and businesses succeed on the global stage.

"Globalization has increased international trade intensity among nations, thus it is very important for us to establish a good standard food and safety systems to protect the customers from low-quality goods. As we all know, Canada is one of the leading country in implementing food safety standards and has been actively taking part as the host country of the Codex Committee on Food Labelling. The strengthened economic cooperation between Indonesia and Canada is expected to bring benefits for both countries, but especially for developing Indonesia's human resources capabilities regarding standardization and food safety. I am very grateful to today's workshop speakers, who were very competent and experts in their field. My hope is that this will result in further productive discussions and sharing of best practices in order to improve food safety and standardization."

—SYAHRUL MAMMA
 Director General, Consumer Protection and Trade Order,
 Ministry of Trade Republic of Indonesia

Canada participates in the three major international standards development organizations: the International Organization for Standardization (ISO),



the International Electrotechnical Commission (IEC), and the International Telecommunications Union (ITU). SCC is responsible for experts working on standards at ISO and IEC. Innovation, Science and Economic Development Canada is responsible for experts working with ITU. Each one of these international organizations has developed strategic plans that can help highlight the direction of international standardization globally and the key issues being faced by these organizations in the short to medium term. All three organizations are focused on enhancing the participation of their stakeholders, being more responsive to the needs of their standards experts, and improving their ability to react to the needs of emerging economies.

Getting the Right People Is Key

SCC does not develop standards. On behalf of the Government of Canada, SCC is the designated National Standards Body that facilitates and manages the participation of Canada in the international standards development activities of the ISO and IEC. Over 3,300 Canadian experts participate in about 475 ISO and IEC technical committees.

Canadian experts involved in ISO and IEC activities must be accredited by SCC. The focus of this accreditation of Canadian experts is on having the right person on the right committee in key areas of economic interest to Canada. SCC, together with the chairs of the technical committees, reviews resumes and applications to determine if candidates have the expertise and knowledge to participate effectively. Once accredited as delegates, Canadian experts are provided with training and the information they need to effectively participate. SCC also provides some financial assistance to Canadian experts with roles that require greater levels of work (e.g., leadership roles such as international chairs).

How Canada Uses Free Trade Agreements to Reduce Non-Tariffs Barriers

As free trade agreements are signed and tariffs are reduced, non-tariff barriers have a greater impact on global trade flows. The Technical Barriers to Trade (TBT) Agreement has become an important tool for Canada in reducing these barriers to trade. Through free trade agreements, Canada aims to

achieve greater harmonization, adopt a risk-based approach for conformity assessment, and improve the implementation of its transparency provisions.

The Canada Gazette is the "official newspaper of Canada." It publishes new statutes (acts of Parliament), regulations, proposed regulations, administrative board decisions, and an assortment of other government notices. The Canada Gazette has three parts, each of which has different types of published notices. Part 1 outlines any proposed regulations that are out for public comment. Part 2 has enacted regulations that come into force in the near future. Part 3 contains laws that have received royal assent.

Canada's Enquiry Point is a single window for the delivery of Canadian transparency requirements in the WTO/TBT agreement. Managed by the federal government department Global Affairs Canada at enquiry@international.gc.ca, it provides early and appropriate notifications to the WTO on certain federal and sub-federal government measures. This includes those that may have a restricting or facilitating effect on international trade and are classified as a technical regulation or as conformity assessment procedures.

While the federal government is responsible for compliance with the TBT Agreement, the agreement applies to all levels of Canada's governments. It also affects the activities of standards bodies, accreditation bodies, and organizations that conduct conformity assessment.

SCC provides input to Global Affairs Canada on the standardization-related components of trade agreements. This includes negotiations with the E.U., Japan, Caribbean community, and the Trans-Pacific Partnership (TPP). In these agreements, Canada has pursued what is known as "TBT Plus" language. The objective is to foster closer cooperation between member organizations that are responsible for standardization, conformity assessment, and accreditation. While each of the free trade agreements are different, "TBT Plus" may include requirements such as mutual recognition of conformity assessment results, conformity assessment recognition protocol, or accreditation of foreign bodies to test to national requirements.



More Efficient Adoptions of International Standards

Previously, when ISO and IEC standards were formally adopted as national standards they required a separate national consultation to ensure that the adopted standards met national needs. Almost 50 per cent of the standards in SCC's standards catalogue are adoptions of international documents, but these typically took longer than domestic standards to be developed because of the separate process conducted following the publication of the international standard. SCC responded to market needs wanting a faster adoption process. Changes were made to SCC's national adoption requirements to closely align with the international process and to encourage a parallel (international and national) voting process in order to shorten the time.

"This training was a very good opportunity for us, as we have recently passed a new law in Indonesia and issued implementing regulations related to standardization and consumer protection, information about which will soon be disseminated to the public. Indonesia, as part of the ASEAN Economic Community, is working to achieve a vision of the future—increased competitiveness, a narrowing of the gap between developed and developing economies, and improved resilience against external shocks. One of the strategies to achieve that vision is through harmonization and standardization."

—KUKUH S. ACHMAD
*Deputy of Standards and Accreditation,
National Standardization Agency*

ISO/IEC Guide 21-1 and 21-2 present the requirements and clear directions for the adoption of ISO/IEC deliverables. By aligning with these guides, SCC offers greater transparency, easier traceability, and faster adoption times. This reduces the overall cost required to adopt regional or international standards and improves the clarity of the process.

The Canadian Food Safety System

The workshop participants have also learned that:

- The vision and mission of the Canadian Food Inspection Agency (CFIA) defines its contribution to safeguarding the food that Canadians consume. It also sets out its role in the safety and sustainability of the plant and animal resource base that is the source of the food. All of this contributes to the health and well-being of Canada's people, environment, and economy.
- The CFIA is the Government of Canada's largest science-based regulatory agency. It has more than 6,600 employees across the country, including scientists, veterinarians, administrative professionals, technical personnel, and operational specialists.
- The CFIA works with various national and international bodies and not-for-profit organizations to meet food safety standards and improve awareness and consumer protection.

Canada is widely considered to have one of the best food, animal, and plant inspection systems in the world. The CFIA is continuously modernizing its system in order to more readily adapt to emerging risks.

The CFIA's Food Safety System applies globally recognized risk management concepts based on prevention. The guiding principles include systems-based, performance-based, and risk-based approaches that are:

- founded on science and based on risk, and that use common inspection procedures and tools;
- aligned with international standards, such as those developed by *Codex Alimentarius Commission* (Codex), the International Plant Protection Convention (IPPC), and the World Organization for Animal Health (OIE);
- based on the premise that industry is responsible for its products and processes and must demonstrate ongoing compliance with legislative requirements.

CFIA's Compliance and Enforcement Activities

The CFIA uses a risk-based approach to verify that domestically produced and imported products meet Canadian standards and regulations.



Canadian Standards and Food Safety Systems and Practices workshop participants and trainers.

CFIA compliance and enforcement actions occur all along the supply chain and involve numerous stakeholders and jurisdictions.

It is the responsibility of regulated parties to comply with all relevant agency acts and regulations. The CFIA takes a risk-based approach to compliance management. Where compliance with the legislation administered and enforced by the CFIA is not achieved, there is a progression of tools in place to respond to non-compliance. If non-compliance is identified, the likely consequences for the regulated parties are clearly identified and predictably and consistently applied. Regulated parties can expect that any non-compliance will be treated seriously by the CFIA and will be dealt with in a professional manner.

CFIA legislation is enforced by the organization itself as well as by other agencies, such as the Canada Border Services Agency (CBSA).

CFIA Case Studies

The role of government in supporting trade was of interest to the participants. A case study on the Canadian BSE (i.e., Mad Cow disease) was used to demonstrate how the Canadian animal traceability system has received international recognition and allowed trade to resume in all parts of the world based on cattle identification and movement.

A second case study on raw milk cheese was also used to illustrate issues related to risk assessment/evaluation, and decision-making process related to risk management and risk communication at the international level.

Participant Feedback

Participants evaluated the workshop as being relevant to their work and in general regarded the training as useful to their work. They indicated that their knowledge about the Canadian standards and food safety systems and practices have been substantially increased after their participation in the workshop and that they can use some of the information and materials for their daily work.

About the TPSA Project

TPSA is a five-year C\$12-million project funded by the Government of Canada through Global Affairs Canada. The project is executed by The Conference Board of Canada, and the primary implementation partner is the Directorate General for National Export Development, Ministry of Trade.

TPSA is designed to provide training, research, and technical assistance to Indonesian government agencies, the private sector—particularly small and medium-sized enterprises (SMEs)—academics, and civil society organizations on trade-related information, trade policy analysis,



regulatory reforms, and trade and investment promotion by Canadian, Indonesian, and other experts from public and private organizations.

The overall objective of TPSA is to support higher sustainable economic growth and reduce poverty in Indonesia through increased trade and trade-enabling investment between Indonesia and Canada. TPSA is intended to increase sustainable and gender-responsive trade and investment opportunities, particularly for Indonesian SMEs, and to increase the use of trade and investment analysis by Indonesian stakeholders for expanded trade and investment partnerships between Indonesia and Canada.

The expected immediate outcomes of TPSA are:

- improved trade and investment information flows between Indonesia and Canada, particularly for the private sector, SMEs, and women entrepreneurs, including trade-related environmental risks and opportunities;
- enhanced private sector business links between Indonesia and Canada, particularly for SMEs;
- strengthened analytical skills and knowledge of Indonesian stakeholders on how to increase trade and investment between Indonesia and Canada;
- improved understanding of regulatory rules and best practices for trade and investment.

For further information, please contact the Project Office in Jakarta, Indonesia:

Mr. Gregory A. Elms, Field Director

Canada–Indonesia Trade and Private Sector Assistance (TPSA) Project

Canada Centre, World Trade Centre 5, 15th Floor
Jl. Jend. Sudirman Kav 29–31 Jakarta 12190,
Indonesia

Phone: +62-21-5296-0376, or 5296-0389

Fax: +62-21-5296-0385

E-mail: greg@tpsaproject.com