Submission to the CFIA Food Labelling Modernization Initiative

Gazette Part I Consultations – Proposed Changes to Labelling Requirements

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Key Points

- CFIA's proposed regulations fail to meet current best practices and offer no improvements to Canada's opaque approach to seafood labelling.
- The proposed labelling laws do little to inform buyers about potential health implications, environmental or social sustainability, quality assurance, or even correct species identification.
- Inadequate geographic origin regulations prevent Canadians from supporting domestic fisheries and seafood products.
- CFIA's effort to streamline labelling standards for all food fails to address the challenges specific to seafood and increase transparency for seafood in particular.
- Scientific name is critical on a label as Canada's seafood labelling regulations allow for many different species with variety of health and safety, environmental and social concerns to be vaguely labelled with a generic common name.
- We recommend that seafood products require scientific name of species included on the product label.
- The geographic origin (where the food was caught or farmed) of a seafood product is important as consumers interpret country of origin to be akin to geographic origin, but with complex global seafood supply chains this often not the case. Current country of origin labelling misleads the consumer, masks the status of fish stocks, and does not allow for interpretation of any health or environmental concerns.
- We recommend that the geographic origin of seafood products where the seafood was caught or farmed be required on a label or packaging.
- The suggested terms for indicating origin, 'imported from' or 'from', may still confuse a consumer into thinking the country of origin label is where the product was caught or harvested, as opposed to where it was last significantly transformed.
- We recommend that CFIA requires the use of more specific language to indicate 'country of origin' such as "Processed in" and retain the use of 'Product of' only when the geographic origin equals the place of last major processing for a seafood product.

SeaChoice is a Canadian sustainable seafood partnership among the David Suzuki Foundation, Ecology Action Centre, and Living Oceans Society. We have been working together since 2006 to improve sustainability and transparency in the seafood supply chain. SeaChoice provides retailers with tools and incentives to improve their sustainable seafood commitments, uses market leverage to improve some of the least sustainable fisheries and aquaculture production, ensures that seafood certification and ranking systems are as robust as possible, and improves transparency by verifying seafood labelling through DNA testing, working on technical solutions for traceability and reforming seafood labelling legislation in Canada. SeaChoice has been actively engaged in the Canadian Food Inspection Agency's (CFIA) revisions to food labelling. We submitted our comments and recommendations to Phase 3 of the Food Labelling Modernization initiative (FLMI) in 2017, which can be found <u>here</u>. We also provided <u>comments</u> to the Safe Food for Canadians Regulations.

At the same time, we have been engaging Canadians around improved seafood product labelling. Along with our report, <u>Canadians Eating in the Dark</u>, which found Canada's labelling regulations for seafood lagged far behind the EU and US, we created a petition which received over 12,700 signatures from consumers who want better labelling of the seafood they buy. In 2017we conducted an <u>Eco-Analytics</u> <u>Poll, which revealed</u> 80% of respondents supported comprehensive seafood labelling. SeaChoice created voluntary labelling guidelines for retailers who want to willingly provide more information to their customers. In fall 2018, SeaChoice launched a <u>#Jointheshift</u> campaign, gaining support from over 3,200 Canadian consumers asking their major Canadian retailers to source local, traceable, and properly labelled fish. In 2017 and 2019 we conducted a <u>seafood labelling accuracy and quality analysis</u> of major Canadian retailers through citizen science. Most recently, SeaChoice launched a <u>campaign</u> for the FLMI Gazette Part I consultations, which has resulted in 7,557 letters submitted from consumers who are in support of better seafood labelling. Our work has clearly demonstrated that Canadians support knowing more information about where their seafood comes from.

The T Buck Suzuki Foundation advocates for the protection of B.C.'s marine ecosystems, fisheries, and ocean-dependent communities. This mission has led us to work collaboratively on several issues impacting B.C.'s coastal environments and communities. We work closely with commercial fishermen in BC to identify barriers to the sustainability of their industry and to bring seafood into the local food movement.

Focus and Rationale for Submission

Our focus for this submission is on fish and seafood labelling throughout the supply chain, with an emphasis on labelling at the point of sale. Pervasive issues including allergies, toxin accumulations, seafood mislabelling and substitution, environmental sustainability, illegal, unregulated and unreported (IUU) fishing and human rights abuses appear throughout the seafood supply chain. Comprehensive and accurate labelling supports buyers to avoid health risks, choose sustainable options and avoid those associated with environmental and social concerns.

While working closely with the seafood supply chain through direct and indirect partnerships, SeaChoice has noticed the lack of information, traceability and labelling available for a product as a recurring issue for buyers, and as we assist businesses in improving their seafood sustainability commitments.

Consumers today are increasingly interested and aware of these issues, resulting in a demand for seafood products that are safe to eat, environmentally sustainable and socially responsible. T Buck Foundation, has found that fishermen are deeply concerned that CFIA labelling guidelines do nothing to increase Canadian consumers support for or understanding of local fisheries, especially given the "eat local" movement which has further increased the number of Canadians wanting to support Canadian seafood producers.

Improved labelling requirements simplifies some of the complexities that exist within the seafood supply chain around verifying product information and allow for better analysis and traceability of the large volumes of seafood being produced, exported, and imported into Canada. Having a clearer picture of the sustainability of the seafood that remains in Canada, and where our exports end-up, can help both governments and civil society target the fisheries and aquaculture operations which are in most need of improvement.

We have reviewed the proposed FLM regulatory amendments and has concluded that they fall well short of best practice and offer no improvements or a foundation to further improve Canada's opaque approach to seafood labelling. This follows our recent disappointment with the lack of improvement to traceability requirements for seafood products sold in Canada with the development of the Safe Food for Canadians regulations. The stated objective of the FLMI is to "develop a more modern food labelling system that responds to current and future challenges", but the proposed regulations fail to provide consumers with the information they need and want to make the right choices for their health and that of our oceans, and fail to meet current best practice labelling for seafood products that have been adopted in other countries.

With this continued opportunity to comment on the FLMI regulations, this submission provides feedback on the changes and reiterating our position with respect to seafood labelling to meet the CFIA's stated objective. We encourage the CFIA to use our suggestions to inform industry guidance documents associated with the finalized regulations. SeaChoice is willing to assist CFIA with the development of future guidance documents.

Feedback on Proposed Regulations

The proposed Canadian requirements for labelling seafood products are insufficient. The mandatory requirements, a common name and the country of origin – the place of last major transformation – does little to inform buyers about potential health implications, environmental or social sustainability, quality assurance, or even correct species identification. It further obstructs Canadians from supporting local Canadian fisheries and seafood products or demonstrate the status of fish stocks.

The modernization efforts have streamlined the regulations for all food commodities, which fails to recognize the uniqueness of seafood as a commodity in the marketplace. Seafood has unique health and safety concerns, moves through complex global supply chains and for fished products are sourced from aquatic ecosystems which result in distinct environmental and social considerations.

We recognize that several seafood specific labelling laws were removed as they were outdated or unnecessary. However, it is worth mentioning that removing s. 267, the requirement to label domestically produced prepackaged whitefish with the name of the lake and province of origin, is an example of a shift away from establishing laws that provide detailed labels and informs the consumer on where their seafood is coming from. This streamlining has ultimately given industry more leeway to label food, which may not result in more truthful labelling for consumers in Canada.

Information Included on Seafood Labels

Scientific name

We note that s. 264 of SFFC regulations was repealed and the requirement for a common name is incorporated in the regulations for all foods generally, with details within the reference document "Common Names for Ingredients and Components Document" under the Food and Drugs Regulations. With these changes however, it is *still* only required for a seafood product to be labelled with a common name.

SeaChoice and the T Buck Suzuki Foundation strongly recommend that, for seafood products specifically, the label requires scientific name of species included in the product. We recommend the following:

• Scientific name is required under the SFFC Section 262 (1) and placed on all seafood product labels under the common name in *italics*.

This is a serious concern for us that we urge the CFIA to address in amended text of the SFFC Section 262 (1) where some specific labelling requirements for prepackaged fish remain. The use of only a common name on a label is often misleading to consumers as they are typically labelled generically, may apply to different species, and can vary from region to region and language to language.

We are aware that CFIA's Fish List provides guidance for industry in displaying a common name on a seafood product. However, with over 1,000 species of fish and seafood listed on the CFIA's Fish List, the labelling of seafood products can become market driven at the expense of misrepresenting the product, which is why we feel strongly that scientific name is actually included as a regulatory requirement in the SFFC Section 262 (1).

SeaChoice has undertaken an initial analysis of the Fish List and notes the following issues. Misleading labels can arise because one species of fish may be labelled with multiple common names and multiple species may be labelled with one generic common name. For example, *Sebastes ruberrimus*, a species of rockfish found off the coast of British Columbia and listed as "Special Concern" under the *Species at Risk Act*¹, can be labelled with six different common names. On the other hand, "shrimp" is an acceptable common name for 41 different species with varying production/harvest methods.

¹Government of Canada. (2018). *Yelloweye Rockfish (Sebastes ruberrimus): management plan, 2018. (proposed).* Retrieved from https://www.canada.ca/en/environment-climate-change/services/species-risk-public-registry/management-plans/yelloweye-rockfish-2018-proposed.html

Misleading or untruthful labelling can also arise due to common vernacular, a challenge which can be overcome with the use of scientific name. Many different species of rockfish are often labelled as "red snapper" on products and, especially, on sushi restaurant menus, while the only true red snapper is *Lutjanus campechanus*². This is likely due to the fact that there are many species of rockfish and snappers that are red in colour, but might also be due to the want to label fish with a more recognizable name. It is only in rare cases that the fish labelled "red snapper" is indeed a snapper. Additionally, some species have many completely different common names due to the changing names historically and by region. *Pollachius virens* or "pollock" has been named as coalfish, saithe, coley within the United Kingdom in the past, while more commonly referred to as Atlantic pollock or pollack in North America³, but can also be called big-eye and Boston bluefish on the CFIA Fish List.

We also urge the CFIA to rid the Fish List of generic common names such as "rockfish," "tuna," and "shrimp", *inter alia*. SeaChoice is presently undertaking an analysis of the CFIA Fish List to assess the issues and provide recommendations that will help reduce buyer confusion and establish a naming system that is truly supportive of "truthful and not misleading" labelling of fish products.

Geographic origin

The FLMI amended text in Gazette Part I still only require seafood products to include the country of last major transformation (i.e., country of origin). This requirement is insufficient for seafood products, which are unique food commodities with complex global supply chains. Processing seafood – such as filleting, breading, canning or other value-added processes – should not preclude consumers from knowing the geographic origin where the seafood product was harvested (caught or farmed).

SeaChoice and the T Buck Suzuki Foundation strongly recommend that the geographic origin of seafood products - where the seafood was caught or farmed - be required on a label or packaging and included under Sections 262 (1) and 220.1 (1) within the SFFC regulations. For example, a label may say 'caught in North Sea' or 'farmed in Lake Erie". Specifically,

- For fish caught at sea, the FAO area or subarea of catch and/or country landed;
- For fish caught in freshwater, the body of water and/or country landed;
- For farmed fish, the country of final rearing and harvest.

Inclusion of geographic origin of harvest is important because, global seafood supply chains are complex, with seafood often passing through several countries before being purchased by a consumer. A fish is commonly harvested in one country, exported to another for processing and imported back to the original country or elsewhere for consumption.

²Oceana. (2013). *Oceana Study Reveals Seafood Fraud Nationwide*. Retrieved from <u>https://oceana.org/sites/default/files/</u> reports/National_Seafood_Fraud_Testing_Results_FINAL.pdf

³ Faroese Seafood. (n.d.). *Saithe (Coley, Atlantic pollock)*. Retrieved from <u>https://www.faroeseseafood.com/species/saithe-coley-atlantic-pollock/</u>

While the location that the seafood product was processed is important (See below for our recommendations on the country of origin term "product of" consultation), it is more critical for seafood labels to provide the geographic origin of the product. It is common that the country of major transformation (gutting, cleaning, filleting, packaging) is not the same country as where the seafood was harvested (fished or farmed).

Canada exported almost 600 million kilograms of seafood in 2018 with the majority going to markets in China, the EU and the US⁴. Canada also imports a substantial amount of seafood, importing approximately 520 million kilograms in 2018 – primarily from Asia, South America and the US⁵. Our greatest exported commodities by volume are shrimp, lobster, crab, salmon and hake⁶, and our most imported by volume are shrimp, lobster, tuna, crab, and salmon⁷. The substantial overlap between the types of seafood Canada exports and imports makes it likely that a good portion of the seafood harvested in Canada is re-imported after processing. Re-importing Canada's seafood, but not labelled as a product of Canada means consumers cannot choose to support Canadian fisheries.

Furthermore, Canada may also import unsustainable seafood from other countries with generic species names such as shrimp, but process it domestically and thus labelling it as a product of Canada. This is problematic especially when the imported product is from unsustainable fisheries or farms and create the false perception that they are local and sustainable.

The following table demonstrate the ways in which Canada's country of origin label causes issues for seafood buyers and consumers.

⁴ Government of Canada. (2019). 2018 Domestic Exports of selected commodities by Major Market and Country. Retrieved from https://inter-j01.dfo-mpo.gc.ca/ctr/canadiantrade/by_market_country? rpt=true&rptYear=2018&tradeTypeId=X&marketId=0&countryId=0

⁵Government of Canada. (2019). 2018 Domestic Imports of selected commodities by Species Group and Species. Retrieved from https://inter-j01.dfo-mpo.gc.ca/ctr/canadiantrade/by_species? rpt=true&rptYear=2018&tradeTypeId=M&spcGroupId=0&speciesId=0

⁶ Government of Canada. (2019). 2019 Domestic Exports of selected commodities by Species Group and Species Retrieved from https://inter-j01.dfo-mpo.gc.ca/ctr/canadiantrade/by_species?rpt=true&rptYear=2019&tradeTypeId=X

⁷ Government of Canada. (2019). 2019 Domestic Imports of selected commodities by Species Group and Species Retrieved from https://inter-j01.dfo-mpo.gc.ca/ctr/canadiantrade/by_species?rpt=true&rptYear=2019&tradeTypeId=M

Table 1: Country of origin labelling issues and examples.

Issue	Explanation	Examples
Misleads consumers and is untruthful	Consumers often interpret country of origin to be akin to geographic origin – where the food was caught or farmed. However, when seafood is caught or harvested in one country/region then processed in other, the geographic origin no longer equals the country of origin on a label.	An Atlantic Halibut that is caught within the Gulf of St. Lawrence by a Canadian fishing vessel may be exported to China for processing to produce fillets, which are then imported back into Canada. In this scenario, the seafood returning to Canada would be labelled as a "Product of China". SeaChoice has witnessed several consumers point out the confusion, and indeed frustration, they feel when the true origin of a product they would like to purchase is unknown. Some consumers are also misled by the label and may choose to not purchase the product despite an interest in supporting Canadian fisheries – assuming the product was caught in China, for example instead of Canada.
Risk to health and safety	Consumers may choose to purchase a product based on where it was caught or farmed if they have concerns about the health and safety of the harvesting practice or about the quality of the environment from which it was harvested. Without clear knowledge of the geographic origin, a consumer cannot make this informed decision.	While antibiotic use in is not allowed in Canadian shrimp imports, only five per cent of imports are tested by CFIA. As highlighted by recent media, CFIA does not test for antibiotic-resistant bacteria and a research group found 17 per cent of tested shrimp were found to be carrying antibiotic- resistant bacteria. They also revealed that the majority of positively tested products came from India. In fact, in 2018, Canada imported more shrimp from India than any other country. Consumers may choose to avoid imported shrimp, particularly those grown in India, until such time as CFIA figures out how to keep Canadians safe. However, under current labelling regulations consumers can't be sure of where their shrimp products were actually farmed.

Masks status of fish stocksKnowledge of the geographic origin of a seafood product can help pinpoint to more specific information such as the species population health and abundance or the region's management rules and regulations. A seafood product could be labelled as coming from the Atlantic Ocean, the Pacific Ocean, the Gulf of Mexico or an inland lake or river, providing key information to determine the quality and sustainability of the species. Including geographic origin as a requirement from the supply chain also be beneficial in collecting more accurate data for the government and NGO's, aiding in the creation of policies and to help inform consumers and buyers on their purchasing.	In June 2018, Canadian officials seized Critically Endangered European eel on its way into Canada, intended for sushi restaurants and other diners across the country and worth millions of dollars. The species would simply have been sold as "eel" or "unagi" and consumed by Canadians without any knowledge that they were eating a highly threatened and illegally imported species. SeaChoice has observed confusion from consumers over a specific product of sardines (actual species, as confirmed by the company, is Atlantic herring) with the company stating "Canadian" on their packaging but "Product of Latvia" on the back of the package. In this case it would be difficult for a consumer to know if the product was caught and/or processed in Canada or Latvia. With assessments of Atlantic herring from the Department of Fisheries and Oceans stating the population is in the critical zone, it is extremely important for the consumers or even retailers themselves to know where their fish originated.
	their purchasing.

Dilutes market signals	When the geographic origin of seafood does not travel along the supply chain, it can dilute price signals, in which consumers do not realize a fish stock decline or that the species may be sourced from elsewhere.	Many Canadian consumers assume that the sockeye salmon sold in their grocery store is caught off the coast of British Columbia, but the vast majority – as much as 90% - comes from Alaska and Russia. When these imported fish are processed here in Canada, consumers do not know the true origin of the fish. This creates a false perception that the sockeye salmon are in abundance domestically and allows retailers to take advantage of consumer perceptions of origin
		through premiums of a perceived local product.

Indicating the origin of imported food

For seafood, in particular, it is important for labels to indicate *both* where a product was processed *and* where the seafood was fished or farmed. As noted, above this would be called the 'geographic origin'.

CFIA has proposed to remove the term 'Product of' for labelling of country of origin and instead use either 'Imported from' or 'From'. In the case of seafood, this does not increase the transparency of a label and may continue to mislead the consumer. The term used for country of origin for a seafood product needs to be clear enough so a consumer understands if the product was caught or harvested or processed in the country indicated. The suggested terms, 'imported from' or 'from', may still confuse a consumer into thinking the country of origin label is where the product was caught or harvested, as opposed to where it was last significantly transformed. We do not support either of these options as sufficient.

SeaChoice and the T Buck Suzuki Foundation strongly recommend that CFIA requires the use of more specific language to indicate 'country of origin'.

- 'Processed in' should be used to indicate when a seafood product has been imported from another country and significantly transformed there.
- We suggest to retain the use of 'Product of', but it should only be used to indicate imported seafood products where their geographic origin equals the place of last major processing.

We understand that industries may look for more flexibility to label origin claims. We note that your domestic content guidelines suggest the use of 'Canned in' "Prepared in' "Packaged in' for example⁸. We also recommend this is a suitable option for seafood importers. Specific terms such as "Landed in" or

⁸Canadian Food Inspection Agency. (2019). *Guidelines for "Product of Canada" and "Made in Canada" claims*. Retrieved from <u>http://inspection.gc.ca/food/requirements-and-guidance/labelling/industry/origin/eng/1393622222140/1393622515592?</u> <u>chap=5#s6c5</u>

"Grown in" could be considered as well to provide more clarity to consumers. This can ensure that consumers are not confused or misled about the true geographic origin of the seafood.

Our Vision for a Modern Seafood Product Label

SeaChoice and the T Buck Suzuki Foundation believe additional mandatory information on seafood labels and packaging is vital to protecting consumers from fraud and misrepresentation and ensures a fairer, truthful and equitable marketplace for retailers and producers alike. This information needs to be transparently available at all stages of the seafood supply chain from producer to consumer. And with retailers selling two-thirds of seafood sold in Canada, labelling at the point-of-sale in retail venues is essential.

We continue to encourage the Canadian government to amend its labelling regulations. We continue to recommended that the following information on seafood products regardless if they are domestic or imported, **in addition to** common name and "Country of Origin":

- Species' (Latin) scientific name
- Geographic origin (country or region of catch or farm)
- Production method (wild or farmed)
- Harvest method (gear type or farming method)

We recognize that some elements of our vision for a modern seafood label is out of the current scope of this consultation, however we encourage the government to continue to consider these important elements of a seafood label within future guidance and regulatory amendments.