SeaChoice input on the Canadian Food Inspection Agency's discussion paper: the boat-to-plate traceability mandate commitment

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December 10th, 2021









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Approach

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 has four key areas of work: (1) providing retailers with tools and incentives to improve their sustainable seafood commitments, (2) using market leverage to improve some of the least sustainable fisheries and aquaculture production, (3) ensuring that seafood certification and ranking systems are as robust as possible, and (4) improving seafood labelling and traceability through DNA testing and reforming seafood legislation in Canada.

SeaChoice has been actively engaged in the Canadian Food Inspection Agency's (CFIA) revisions to food labelling and traceability, including the CFIA's revisions of the Food Labelling Modernization Initiative and the Safe Food for Canadians regulations. In a September 10th letter, we shared our support and outlined our priorities for the federally mandated boat-to-plate traceability program with the President of the CFIA, Mr. Mithani, and with Ministers Hajdu and Jordan. We also appreciated the ability to participate in the CFIA's engagement workshop on the boat-to-plate traceability commitment in September 2020.

With this opportunity to provide further comment on the government's boat-to-plate mandate commitment, SeaChoice has compiled this submission to answer many of the questions posed in the discussion paper, while following the structure of the paper. SeaChoice also commissioned YouGov to conduct a poll to inform the consumer directed questions in the discussion paper. The total sample size was 1,015 Canadian adults. Fieldwork was undertaken between the 16th and 21st of November 2021. The survey was carried out online. Figures were weighted and are representative of all Canadian adults (18+).

Key Recommendations

- SeaChoice recommends developing an efficient and interoperable system to track key information throughout the supply chain, including at a minimum: what the product is (common and scientific name), where it is from (geographic catch area or harvest location and processing location), and how it was produced (farmed or wild caught and method).
- SeaChoice recommends that a future traceability program/system encompasses all seafood (both wild and farmed) produced domestically as well as all seafood (both farmed and wild) coming in from international sources.
- SeaChoice recommends the Canadian government put in place proper measures to ensure data verification at key nodes within the supply chain, such as at the point of import or at retail sale.
- SeaChoice recommends the Canadian government establish and invest in a multi-departmental task force to ensure all relevant departments work together to develop full-chain seafood traceability.

• SeaChoice recommends the CFIA continue to assess mislabelling through DNA testing at various points in the supply chain and within different consumer-facing businesses to monitor progress as industry and government implement traceability solutions.

Theme 1: Consumer protection and food safety

Discussion points: Seafood misrepresentation and mislabelling

Are you aware of the potential for fish species being misrepresented on the label?

Yes. SeaChoice conducted citizen scientist DNA testing in 2017 and 2018. We found that 1 in 10 seafood products are mislabelled, meaning the species identified by the DNA analysis was not labelled with an allowable common name according to the Canadian government Fish List guidance. Our findings are similar to the results of the CFIA's most recent study of seafood product mislabelling in the Canadian supply chain, however, they are lower than studies from the University of Guelph and Oceana Canada. This may be because we only tested products from supermarkets, not from restaurants or food service companies. It is accepted among researchers and industry leaders that variations in mislabelling rates are because of the types of establishments surveyed, which species participants sampled and how many of those species participants sampled. On average, studies globally find on average that 30 percent of sampled seafood is mislabelled.

In November 2021, SeaChoice <u>commissioned YouGov to poll</u> 1,015 Canadians and ask "how concerned, if at all, are you about seafood mislabeling and fraud in Canada?" Results show 70% of Canadians are somewhat concerned or very concerned about mislabelling.

Can you recall an instance where you believed fish was misrepresented when you made a purchase? If yes, what information did you use to determine this? Please explain.

In our research, SeaChoice has also found that the labels on seafood products usually lack critical information to allow consumers to make an informed choice, which may increase the potential for product misrepresentation. Our studies have found that retailers are doing a relatively good job of telling Canadians whether their seafood is wild caught, less of a good job with labelling it products as farmed, and doing a very poor job including the actual species, the country of harvest, and how the product was caught or farmed on labels. Without this information, Canadians only have a small amount of information on the package on which to base their purchasing decision and/or to discern if a product is misrepresented.

Below are a number of situations where the information on a seafood product label may indicate a mislabelled seafood product.

• If the species is already known to be commonly misrepresented. For example, DNA-based mislabelling studies show that products labelled with the common names "red snapper" and "white tuna" are often mislabelled.

- If the price of the seafood product is much cheaper than expected, especially for a high value seafood like abalone, sockeye salmon, chinook salmon, bluefin tuna and Pacific or Atlantic halibut.
- If a seafood product is marketed as "fresh", but is out of season, such as thawed sockeye salmon from British Columbia in the winter months.
- If the information given on the label does not equate to a legitimate fishery or aquaculture practice. For example, a label with "wild Atlantic salmon" on it is likely to be mislabelled because there is no commercial fishery for this species.
- If a consumer asks for more information about a product and the manager or employee at the fish counter cannot provide any additional information.

What sources of information do you access or follow to stay informed and protect yourself from potential fish fraud?

SeaChoice reads Seafood Watch Assessments and published science in peer reviewed journals, as well as published research reports from non-profit organizations.

Are you aware of types of fish misrepresentation other than species substitution that needs attention? If so, please explain.

Beyond species substitution, there is <u>evidence</u> of other types of seafood misrepresentation that occur along the supply chain. This can be the origin, harvest type, or method of harvest. Seafood supply chains are complex and opaque, and without proper traceability, instances of misrepresentation can occur through transhipment, at-sea transfers, falsifying trade documents, or at the point of sale through fraudulent labels.

For example, there could be an incentive for a seller to misrepresent the origin of a product to hide illegal, unregulated, or unreported (IUU) fishing or slave labour practices. A seller may also choose to misrepresent the type of harvest in cases where a wild product is more valuable than its farmed counterpart. Further, SeaChoice argues that without the true origin of a product on a label, consumers are often misled to think the product was caught or farmed in the country listed. For example, sockeye salmon that is labelled "Product of Canada" but was caught in Russia. Finally, with genetically engineered (GE) salmon now produced and sold in Canada, SeaChoice is also concerned about the potential for fish misrepresentation if the product is simply sold as "salmon". Without a requirement for GE labelling, consumers are not able to identify GE salmon vs farmed non-GE Atlantic salmon.

A final type of misrepresentation specific to seafood is called short-weighting. Short-weighting occurs when businesses add weight to a seafood product by using excess ice or additives. Some ice and additives can be helpful to maintain freshness, but an excessive amount adds more than necessary weight to the product and drives up the price.

Various reports indicate that fish species substitution increases as it moves through the supply chain from primary producers to the retail or restaurant level. What information do you have that either supports or contradicts this statement? Why do you think this is?

While SeaChoice has only conducted our mislabelling studies at retail establishments, we are aware of other <u>studies</u> that suggest mislabelling can increase as it moves through the supply chain, including the CFIA's own analysis completed last year.

Seafood is a globally traded commodity with complex supply chains. In Canada, upwards of 80 per cent of seafood is imported and much of the seafood produced in Canada is exported. There are many nodes of the supply chain, in which the product changes hands or is processed. SeaChoice believes mislabelling represents a breakdown in seafood supply chain traceability. Without proper data capture and traceability through the chain, buyers cannot trust or verify the information provided on a label.

CFIA has described several of the measures it takes to mitigate fish species substitution and other types of misrepresentation. What complementary measures are currently in place by industry at the various levels of trade, such as the domestic processor, importer, retail and restaurant level? Please refer to answers in the questions below.

What additional measures would be most effective and how would they be effective?

SeaChoice recommends the Canadian government improve regulations for seafood traceability and labelling as the primary way to combat seafood mislabelling and misrepresentation. We recommend stronger traceability systems in place that track key information, including at least the scientific name, product origin, harvest type and gear used. Preliminary research suggests that after the European Union enacted more stringent traceability and labelling laws, seafood mislabelling rates dropped. Between 2003 and 2011, mislabelling rates were over 20%, but decreased to about 8% after implementation of new laws. SeaChoice recommends that the Canadian government follow a similar approach to the European Union's Common Fisheries Policy regulation No 1379/2013, Control Rule 1224/2009 regulation and IUU Regulation 1005/2008 with key data elements collected and retained as products moves through the supply chain and key information provided at the point of sale.

SeaChoice recommends the CFIA continue to assess mislabelling through DNA testing at various points in the supply chain and within different consumer-facing businesses to monitor progress as industry and government implement traceability solutions. DNA testing studies can address key gaps, such as where more mislabelling is occurring and for which species or product types. The CFIA may also consider working with stakeholders such as academics who are testing the <u>usefulness of biotracers</u> to aid in the identification of product origin, since DNA testing can only provide species identification. SeaChoice also recommends continuing to use DNA technology to cross-check data on seafood products at different parts of the supply chain, such as at point of importation, as a verification measure for a future traceability program.

Finally, SeaChoice recommends the CFIA establish a similar regulation to that of the EU that <u>requires</u> <u>"genetically modified" labeling</u> for food products consisting of, containing, or produced from GMOs, as well as ensuring genetically modified seafood has the same regulatory requirements as other seafood products. It is critical that this GE species is labelled as such because even with the inclusion of a scientific name on a label, this species may still be called *Salmo salar* and can mislead consumers.

Is there sufficient understanding by regulated parties of the regulatory requirements and tools available to ensure fish and seafood is not falsely labelled or misrepresented?

No, please refer to answers regarding the CFIA Fish List in questions below.

What role do you see your organization playing in promoting compliance or in educating consumers about fish and seafood misrepresentation?

SeaChoice will continue to promote compliance and educate Canada's largest retailers through our project, <u>Seafood Progress</u>. SeaChoice regularly provides updates to retailers and provides resources to encourage continual improvement of retailer commitments and practices. We are an active member of the Conservation Alliance for Seafood Solutions, which provides opportunities to engage with other NGO's and industry including organizations that are relevant to the Canadian market. SeaChoice will also continue to conduct our own DNA testing of the Canadian marketplace. These studies offer opportunities to educate Canadian consumers on the issue.

Discussion points: Food labelling

When deciding what fish to buy, does the common name sufficiently identify the fish? If not, please explain why.

The common name on a seafood product may not always sufficiently identify the fish or shellfish species. Common names on seafood products may be too generic to identify the species or may mislead consumers into thinking the seafood product is an entirely different species. For example, "shrimp" is an acceptable common name for 41 different species with varying production/harvest methods. Businesses often label many different species of rockfish as "red snapper", while the only true red snapper is Lutjanus campechanus. This appears to be particularly common in sushi restaurants. This is likely because there are many species of rockfish and snappers that are red in colour, but might also be due to the desire to label fish with a more recognizable name. It is only in rare cases that the fish labelled "red snapper" is actually Lutjanus campechanus. Some species have many completely different common names due to historical and/or regional naming conventions. For example, within the United Kingdom, the fishing industry calls Pollachius virens pollock, coalfish, saithe, coley, while this species is more commonly referred to as Atlantic pollock or pollock in North America.

It is clear that seafood product labels are often market driven at the expense of misrepresenting the product. The examples highlighted above are only a few examples of the ways industry may use common names to mislead consumers or otherwise conceal the species they are selling. SeaChoice

published a <u>report</u> in 2020, which outlines more of the issues with common naming in Canada and offers a number of concrete recommendations to improve the Fish List. SeaChoice's main recommendation from this report is for the CFIA to work towards suggesting only one common name per species and the inclusion of the scientific name on a label, beginning with the species that are more at risk for mislabelling, have environmental concerns or can be harmonized with the US seafood list.

In November 2021, SeaChoice <u>commissioned YouGov to poll</u> 1,015 Canadians and ask "are you supportive of seafood product labels that provide <u>specific</u> common names for the species sold?" Results show that 70% of Canadians are somewhat or extremely supportive of specific common names.

Have you experienced situations where you were unable to make an informed choice about the type of fish because the scientific species name (for example, Oncorhynchus mykiss) wasn't on the label? If yes, please describe the situation. Were you able to obtain information on species when you requested it from the food business?

In SeaChoice's experience, the lack of a scientific name can make it difficult to identify the species sold, especially when the common name listed in the product is non-descriptive (e.g. tuna, sole, shrimp). We also find that voluntary labelling of the scientific name is rarely found at the point of sale and infrequent on supplier packages. For example, in summer 2021, Organic Ocean, Emily De Sousa, Dr. Robert Hanner and SeaChoice collaborated on a <u>study</u> to investigate whether DNA authentication could be a useful and practical way for a seafood business to mitigate the risk of mislabelling by verifying species' information for its products. SeaChoice collected 36 samples from 12 suppliers at Organic Ocean's warehouse. Only eight suppliers provided scientific names for their products. The presence of a scientific name on a label is often inconsistent and in SeaChoice's experience, difficult to obtain when requested.

Have you ever contacted a food business to get information that was not provided on a fish or seafood label? If no, why? If yes, was the information made available to you?

SeaChoice has reached out to several companies in an effort to obtain information about a seafood product and its sustainability for our research and reports. In our experience, it is often difficult to obtain this information from companies. It may take a long time to get a response from companies and may require multiple follow up messages, and/or sometimes they simply do not have the information we are looking for. These are high barriers for consumers in terms of obtaining information about products and it impedes civil society organizations from being able to collect information about products being sold on the Canadian marketplace. Research shows that many consumers rely on seafood labels to convey information that allows them to choose sustainable options or avoid products with health-related concerns, yet SeaChoice's research has shown how few labels actually include this information. In 2018, we found that 67% of labels samples provided whether the product was farmed or wild, 24% provides the country of catch or harvest, 11% provided the scientific name, and only 9% provided the harvest method or gear type.

How important are the following to you when purchasing seafood? Rank each item in the order of its importance to you. Number 1 being 'most important to you' and 12 as 'least important'.

SeaChoice ranks the following items in order of number 1 being most important to us and 12 as least important.

- 1. traceability information on label
- 2. country of origin
- 3. information about fishing gear on the label
- 4. catch methods and their effect on fish stocks and ecosystems
- 5. farmed fish
- 6. wild caught
- 7. sustainability sourced/certified
- 8. price
- 9. brand
- 10. freshness/quality
- 11. best before date marked on the label
- 12. organic

If considering the country of origin for your purchase, are you aware the country of origin for the purposes of labelling is the country where the food undergoes the last substantial processing step that changes its nature?

SeaChoice is aware of the definition pertaining to "country of origin".

This requirement is insufficient for seafood products, which are unique food commodities with complex global supply chains. Products are often processed in different countries than the one in which they were farmed, caught or landed. Knowing where seafood products have been processed – 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). The requirement to include geographic origin on label is standard practice for key export markets such as the EU, which Canada has yet to recognize.

In SeaChoice's experience, consumers often interpret country of origin to be akin to geographic origin. This misleads consumers, as much of the product consumed in Canada has been processed in a country outside of where it was harvested. Therefore, the country of origin is rarely the geographic origin. In addition to misleading consumers, this regulation can also pose health and safety risks. Consumers may want 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 and/or about the quality of the environment from which it was harvested. Without clear knowledge of the geographic origin, a consumer cannot make an informed decision. Canadian fishers/farms are at a disadvantage by geographic origin not being required because shoppers who want to support Canadian producers can't easily do so. Furthermore, knowledge of the geographic origin of a seafood product can help pinpoint more specific information, such as the species population health and abundance or the region's management rules and regulations.

In November 2021, <u>SeaChoice commissioned YouGov to poll</u> 1,015 Canadians and ask "how important to you is it that a seafood label says where the product is caught or harvested from *in addition to* where it was processed?" Results show 90% of Canadians find this to be somewhat or very important.

During the CFIA's food labelling modernization initiative consultation, <u>SeaChoice strongly recommended</u> 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.

What are some considerations for industry regarding labelling of scientific species name, catch location and catch method that are required in some other jurisdictions?

Improved seafood labelling is not a new concept for the industry at large. Businesses that export products to the European Union have been abiding by their labelling and traceability laws for years, which include tracking the scientific species name, catch location and catch method. In recent years, many retailers are already or beginning to ask their suppliers for this critical information to ensure they are buying products that meet their sustainability commitments and consumer demands for transparency.

SeaChoice believes an important consideration for improved labelling requirements is to ensure there are adequate traceability requirements to support the increase of information passed along the supply chain. Improvements in labelling and traceability should go hand in hand.

Further, in the summer of 2021, the Ecology Action Centre and SeaChoice hosted a multistakeholder workshop to discuss seafood traceability in the context of the development of a Blue Economy Strategy by the Department of Fisheries and Oceans. During the workshop, stakeholders noted the considerations for the government in developing stronger traceability and labelling regulations. Stakeholders noted that often the biggest barrier is supply chain opt-in and coordination, as opposed to the more technical or cost-related barriers. We heard that there is a general lack of trust within the industry that can hinder adoption and coordination among governments can be difficult to achieve because of the number of departments and jurisdictions involved. SeaChoice sees this as the biggest consideration when considering the collection and labelling of more information than what the government currently requires. The upfront infrastructure and staffing costs, especially to whom those costs fall on, are other considerations for requiring more information on a label. During the workshop, some participants noted a solution to this challenge might be for the government to introduce a phased system towards improvement, which could be particularly beneficial for smaller-scale producers and businesses.

Finally, an important consideration for future labelling and traceability improvements is that there are plenty of resources, case studies and systems already in place globally that Canada can draw from for improvement. We should not look to reinvent the wheel. The more that Canada can combine or integrate its labelling and traceability requirements with those of other countries, the easier it will be in the long run.

Discussion points: The CFIA Fish List

Before reading this discussion paper, were you aware of the CFIA Fish List and its associated guidance for fish common names?

Yes.

Is the CFIA Fish List and its associated guidance an appropriate tool to assist in determining common names?

Yes. However, SeaChoice has identified several issues with the Fish List data, which we explain in the responses below.

Please explain. For example, if you answered yes for the question above, describe what you see as the value and utility of the CFIA Fish List.

Fish and seafood common name databases are helpful for supplying industry with the acceptable names for labelling. This allows for standardization and prevents further misrepresentation or confusion for the supply chain and consumers.

However, SeaChoice has discovered numerous issues with the Fish List and published our analysis and findings in a <u>report</u> in 2020. In the report, we argue that the Fish List allows for ambiguous and/or misrepresentative labelling of seafood sold in Canada, which directly contradicts CFIA's own labelling requirements. We demonstrate that ambiguous labelling begins with allowing generic common names to apply to many seafood species. For example, there are many species in the Sebastes genus that can be called snapper, Pacific snapper or Pacific red snapper despite not being true snappers. Likewise, the species *Serranus scriba* (painted comber), is a subtropical species in the Atlantic that can be "acceptably" misrepresented as a rosefish, redfish and ocean perch on the Fish List. Using generic common names also contradicts specific CFIA rules and intent established for other species groups. For example, the CFIA states that "Pacific salmon" is not an acceptable common name on the Fish List due to the different market values of species of Pacific salmon, yet Atlantic salmon can be simply called "salmon". The issue of different market values holds true for other generic names, including soles and rockfish.

If Canada is to move forward with a comprehensive traceability system, the issue of lumping several species into generic common names will need to be resolved. The permitted use of generic common names does not allow for the differentiation of species within the market, resulting in a

misrepresentation of products to consumers. The generic names also allow for grouping of similar species within the supply chain, contributing to the challenge of tracing seafood products.

Finally, SeaChoice encourages the CFIA to improve the Fish List in an effort to harmonize with the United States and our other major trading partners. SeaChoice's analysis and other <u>research</u> shows major discrepancies that are hindering naming of products for import and export from or to the US. It is critical that the CFIA addresses these inconsistencies within the context of developing an improved traceability program because the lack of harmonization can make traceability implementation more difficult to achieve.

Do you use the CFIA Fish List and its associated guidance to help you determine an acceptable common name?

SeaChoice uses it regularly for making improvements, working with industry and retailers as well as to test industry compliance through our own DNA testing studies.

If you use a different resource to determine acceptable common names, please describe it (for example, scientific literature, other lists, documents from suppliers, etc.)

SeaChoice will consult scientific literature and other widely used databases to determine the most appropriate common name for a species. The following are databases and scientific literature we most commonly consult:

- FishBase
- Integrated Taxonomic Information System (ITIS)
- American Fisheries Society's Common and Scientific Names of Fishes from the United States,
 Canada and Mexico, 7th edition
- Food and Agriculture Organization's Aquatic Sciences and Fisheries Information System
- U.S. Seafood List

CFIA currently maintains the CFIA Fish List, but could there be alternative approaches and/or stakeholder involvement to maintain it? If yes, what could those alternative approaches be? What types of stakeholders would need to be involved?

SeaChoice suggests the CFIA consult with other government departments, particularly the Department of Fisheries and Oceans, to streamline the naming standards for common species caught, farmed and/or sold in Canada. The Department of Fisheries and Oceans typically uses more detailed common names for species, but sometimes may spell common names differently. For example, species x is sidestripe shrimp, but the CFIA adds in a "-" "side-stripe shrimp" which can lead to confusion.

SeaChoice has demonstrated above that the Fish List needs improvement. To improve seafood labelling in Canada, we recommend the CFIA regularly consult NGOs, academia, and industry.

Discussion points: Food safety traceability

Please comment on the points in the supply chain at which the food safety traceability requirements of the Safe Food for Canadian Regulations (SFCR) apply. Do you see any gaps? If yes, please explain.

The Codex Alimentarius standard, on which the CFIA's traceability regulations are based, provides some level of consumer protection for food safety. However, this standard only follows the movements of food through the specified stages of production, processing and distribution. It ignores other properties of a robust traceability system, such as documentation of product transformations and the ability to maintain critical information about the provenance of that product throughout the supply chain.

SeaChoice is concerned about the maintenance of lot-level traceability information when, usually after the first sale, lots are split or merged. This may occur with highly processed seafood, such as surimi, when multiple lots are mixed into one product. SeaChoice suggests developing an event-based traceability solution, such as the <u>United States' recently proposed rule for food traceability</u>. The FDA has proposed an improvement in its domestic seafood supply, which includes critical tracking events with certain key data elements that must be captured along the supply chain. Improvements such as this could allow for better maintenance of lot information when these merging events occur by linking shipments and food through each point in the supply chain.

While the government has made some progress to shift to electronic data transfer systems since the Safe Food for Canadian Regulations were last updated, there is no requirement for industry to retain all records electronically. It is generally accepted and case studies have demonstrated that when electronic data capture and traceability is implemented, the data is more accurate, less subject to human error or fraud and easily facilitates monitoring and enforcement. Further, "one-up, one-down" traceability systems may not be sufficient for food safety because it results in untimely verification of product information, particularly when there is a reliance on paper-based records. We encourage the government to consider shifting to a fully electronic system for better data recording and automated verification.

Finally, SeaChoice encourages the government to examine ways of adding verification procedures to current traceability regulations. Verification is especially important to deter IUU seafood products from entering the supply chain. The capacity to cross check product or related information at any point in the supply chain with data supplied by other actors is a critical aspect of traceability to ensure the legitimacy and accuracy of the data. Verification could include mass-balance checks, data entry checks, verification of data accuracy via landing documents or log books, verification of legal fishing through vessel AIS records, or DNA testing.

What would be some considerations related to expanding the reach of existing traceability to additional points in the supply chain such as restaurants?

SeaChoice is supportive of expanding the reach of existing traceability to additional points in the supply chain. To be effective, traceability needs to cover the entire seafood chain from catch or farming though

to the restaurant or retailer and end consumer. Currently, there is very little to no farm or vessel level data captured and maintained throughout the supply chain.

Regarding the expansion of a traceability program, it is important for the CFIA to recognize where it may be easier or more difficult for industry to manage traceability. For example, it may be easier to maintain traceability and labelling for frozen items that do not need to be repackaged and relabelled. It is also likely to be easier for products like lobster that are caught in one area versus shrimp caught in different areas and aggregated into a single product. However, SeaChoice encourages the CFIA to examine how traceability can be required for restaurants and food service, as these establishments appear to be at higher risk of issues such as mislabelling and fraud.

Are current SFCR food safety traceability requirements sufficient for fish-specific food safety traceability? Please explain.

Please refer to the answer in the question above asking "Please comment on the points in the supply chain at which the food safety traceability requirements of the Safe Food for Canadian Regulations (SFCR) apply. Do you see any gaps? If yes, please explain."

What voluntary mechanisms, including use of technology such as distributed ledger technology (that is, Blockchain) or QR codes, have been adopted by industry to maintain traceability information?

In response to increasing demand for traceability and transparency in the seafood supply chain, many different technology solutions have been adopted by industry. To date, industry has begun adopting certain technology standards such as GS1 or has worked with a traceability providers such as Vericatch and ThisFish. In the EU, the government has created an online platform called TRACES that allows for efficient electronic data capture and traceability of all animals, animal products and food products for nations exporting to the EU.

How ready are you to use technology for traceability?

Some industry actors, especially small-scale producers may not be ready to adopt more stringent traceability requirements. SeaChoice recommends that the CFIA provide support to small to medium businesses in making the transition to new technology or requirements.

What additional information could businesses include in their traceability systems to better align with industry best practices?

SeaChoice would like to see businesses and the government include at least the following information in its seafood product traceability systems: the scientific name, geographic origin and gear or harvest method. In November 2021, SeaChoice commissioned YouGov to poll 1,015 Canadians and ask "how important to you is it that traceability laws also require companies to track information like what species it is, how it was caught or farmed and where it was caught or farmed?" Results show that 91% of Canadians find traceability laws to be somewhat to very important.

Other information that is helpful in verifying the source and legality of products is the name of the fishing vessel or aquaculture unit, FAO species code, date of catch or harvest or period over which it was harvested, and the IMO number for wild-caught species. The Global Dialogue for Seafood Traceability GDST 1.0 standards provide a comprehensive list of key data elements that should be recorded at critical tracking events to prove seafood legality.

Do you have additional comments to share about food safety traceability?

In November 2021, SeaChoice <u>commissioned YouGov to poll</u> 1,015 Canadians and ask "to what extent do you agree or disagree with the following statement: I support improved seafood traceability for all seafood products sold in Canada." The results show 86% of Canadians somewhat or completely agree with the statement.

Theme 2: Sustainability and fisheries management related to traceability and combatting illegal, unreported and unregulated fishing

Discussion points: Sustainability and fisheries management in illegal, unreported and unregulated (IUU) fishing

Do you think that having additional information with respect to the sustainability of fishery products would increase consumer confidence?

Yes; consumer demand for transparent labels and sustainability of seafood is continuing to grow. Much of the industry now recognizes the importance of conveying information about a product to their consumers. This trend is demonstrated by the increase in initiatives in recent years, such as the Ocean Disclosure Project.

Consumer surveys and research also show this demand. In November 2021, SeaChoice commissioned YouGov to poll 1,015 Canadians and ask "to what extent do you agree or disagree with the following statement: having additional information about the sustainability of the product on the label would increase my confidence in buying that product." Results show that 80% of Canadians somewhat or completely agree with the statement. In 2020, SeaChoice's polling found that 83% of Canadians are somewhat to very concerned about greenwashing. A recently published study surveying 358 Canadians in Southern Ontario grocery stores found that one of the key barriers to respondents purchasing available sustainable seafood was the lack of sustainability information on seafood products. Another barrier identified was the lack of in-store resources about what the sustainable options were.

If yes, what information may help to guide consumers in making informed decisions related to the sustainability of fishery products?

SeaChoice recommends at least the following formation on a label to provide buyers with the minimum information to determine the sustainability of a product: the species' scientific name, the place it was caught or farmed and the type of gear used. With these key pieces of information, consumers can use

sustainable seafood guides, such as Ocean Wise's seafood search or the Monterey Bay Seafood Watch Guide, to discern how sustainable a seafood product is.

SeaChoice has found that relying on "method of production" environmental claims (i.e., certifications, endorsements and self-declared claims) may be sufficient to discern the sustainability of a product, particularly when those claims are not accompanied by a description of what they actually mean and the means to verify them. Our SeaChoice report on environmental claims found claims that voluntarily provided the scientific name, wild/farmed and harvest method allowed consumers to verify the claim and were not misleading.

Do you have concerns that fish imported into or re-exported from Canada may not have been harvested in a sustainable manner? If yes, what are your concerns?

Yes. In 2016, SeaChoice published a report called <u>"Taking Stock"</u>, which assessed the sustainability of seafood in Canada and discovered there are significant amounts of unsustainable seafood being imported or re-exported from Canada. We found that the aggregate category "Fish, NES" (not elsewhere specified) makes up the largest category of seafood imports, contributing to 30 percent (151,000 tonnes) of all imports. Because the species are not specified in this category, this whole segment is unassessed for sustainability. Products in the NES category in the Canadian marketplace are primarily fishmeal and fish oil products. Additionally, farmed tropical shrimp are the second-largest import product, contributing eight per cent (39,000 tonnes) to total imports and are red-rated (avoid) according to the Monterey Bay Aquarium's acclaimed Seafood Watch program. Also among the top imports are open net-pen farmed Atlantic salmon and skipjack tuna caught using FADs, both of which are also red-rated.

In our research for "Taking Stock", we found that the lack of government-required labelling and tracking for exported and imported seafood makes assessing the sustainability of many seafood products impossible. We encountered significant challenges, including being unable to locate detailed information, resolve aggregated data, or align data between government departments responsible for reporting on seafood production, imports and exports. The lack of transparency within the retail and food service sectors is another challenge.

IUU fishing is also prevalent within our global seafood supply chains, which poses huge risks to the health of ocean ecosystems, disrupts fisheries management efforts, affects the industry actors who depend on fisheries income and perpetuates the continued exploitation of slave labour and human rights abuses. Global IUU catches are estimated at 26 million tonnes annually, which is approximately 30 percent of the total global catch by volume. With most of the seafood consumed in Canada from imported sources, it is likely that IUU catches are entering the country in significant amounts. Without proper traceability requirements at point of import, such as catch certificates, for products entering Canada, consumers cannot be sure if their seafood was caught sustainably and legally.

Do you have concerns that fish harvested in Canada may not have been reported as part of commercial fishing requirements? If yes, what are your concerns?

While the risk for unreported catches may be lower in Canada than other countries, both intentional and unintentional misreporting occurs when catches are discarded, undersized, fished in protected areas, or under reported to match quota restrictions. Additionally, the level of detail required onboard fishing vessels varies widely between fisheries, particularly in terms of species identification (e.g. in some fisheries 'flatfish' can be reported for 5-7 species, while "low value" species may not be reported at all). Catch information is often considered proprietary and it does not enter the supply chain by design. Thus, details about species, fishing location, and gear used can all be lost and thus increasing the opportunity for unreported catches to go unnoticed.

SeaChoice is aware of many instances of unreported or illegal product in Canada. One recent investigation by Fisheries and Oceans Canada (DFO) revealed large volumes of illegal products with unknown origin (possibly from wild sources and/or imported product) were being sold as farmed shellfish. In 2019, the seafood company, Clearwater, was convicted of gross violation of fisheries regulations for keeping their gear in the water for over 72 hours at a time. Through SeaChoice's experience working with fisheries on the East and West coast, it is also common to see unreported catch within the forage fish fisheries such as herring and mackerel. A final way product can be unreported in Canada is high grading. This is when a fishery discards lower value fish so they can catch and keep the higher value fish. High grading occurs in larger value species such as bluefin tuna and Atlantic halibut where there is a strong limit on quotas and a lack of observer coverage.

The occurrence of unreported or misreported harvest disrupts fisheries management efforts, the health of Canada's ocean ecosystems, and the industry actors who rely on the ocean for their livelihood. Over the long term, these activities can have indirect economic impacts, such as reduced revenue throughout the seafood value chain.

What do you consider to be the most important elements of sustainable fisheries?

Important elements of sustainable fisheries include:

- Harvest that ensures healthy and resilient stocks/populations
- Use of effective and adaptive regulations, management, and enforcement
- Limit negative impacts on habitats, non-target species, and the greater ecosystem
- Scientific and transparent processes
- Creates fair work and respects human and labour rights

What sustainability-related market access issues do you feel the boat-to-plate program should address?

The boat-to-plate program has the potential to help create more inclusive, responsible, equitable and durable supply chains. Seafood supply chains typically keep producers and consumers apart, but we need transparency to create a just and equitable system. The program could help in improving food security by providing better access to local seafood for Canadians.

Should the boat (starting point) to plate (end point) program be domestically-oriented, internationally-focused or both? Please explain.

Both. Due to rules of foreign treatment, the Canadian government could not develop a program that is solely internationally focused. Any additional requirements for importers must also be met by the industry domestically. SeaChoice recommends that this program encompasses all seafood (both wild and farmed) produced domestically as well as all seafood (both farmed and wild) coming in from international sources.

It is very important that the Canadian government ensure there is proper traceability and regulations such as an import program like the US created, or a catch certification program as the EU has implemented for years, to ensure that seafood products are not associated with poor labour practices and IUU fishing. With most of the seafood consumed in Canada from imported sources, it is critical that any new traceability regulations include imported products. Further, the program or regulations should be both domestic and internationally focused to help support and improve the Canadian market. Canadians who want to support domestic producers should be able to. By not providing information on all seafood, Canadian producers who compete with imports in the domestic market could be disadvantaged. For example, sockeye salmon not listed with the international origin could be assumed to be Canadian and the Canadian producers miss out on the opportunity to gain the value from that product.

What additional measures should be taken to improve transparency in the national and international fish and seafood industry and its extensive and complex supply chains?

Canada should substantially improve supply chain transparency by looking to the EU regulations for labelling and traceability as best practise. We recommend that all seafood be traceable from the point of harvest to the consumer with key information tracked along the supply chain including the scientific name, the method of harvest and the origin of harvest.

How effective do you feel voluntary or industry driven traceability measures are at documenting details about the source and harvesting of fish and seafood?

Very effective Somewhat effective Effective **Not very effective** Not at all effective Is demand increasing for food businesses to share information on harvesting or farming from one point in the food supply chain to the next? Are these demands being met through existing business practices? If no, please explain.

Yes, demand is increasing, especially as major retailers are requesting information from their suppliers to provide transparency to their consumers and ensuring product sourcing aligns with their sustainability commitments.

SeaChoice believes that having some government support or backing to "raise the bar" for traceability in Canada will help to avoid placing the burden for businesses to meet these demands solely on industry or private certifications. A standard expectation can be achieved through regulatory or policy means and would create a level playing field for all actors. Additional benefits of an improved regulatory regime for traceability include progress towards the tracking of additional data from key fisheries that are not ecocertified and improved traceability at the processing level, which is often a key source of information loss.

Theme 3: Market access, trade, and marketing of Canadian fish and seafood

Discussion points: Market access, trade and marketing of Canadian fish and seafood

When buying fish and seafood, do you actively seek out Canadian products?

In November 2021, SeaChoice <u>commissioned YouGov to poll</u> 1,015 Canadians and ask "if labels always included where the product was caught or farmed, how often would you seek out Canadian products?" Results show that 37% of Canadians would always seek out Canadian products, and 34% would often seek out Canadian products.

How do you identify Canadian products?

Currently, it can be a challenge for consumer to identify all Canadian caught or harvested seafood products. Under current guidelines, the seafood caught in Canada and processed overseas would not meet the "Product of" threshold, meaning Canadian seafood is not being recognized. With much of our seafood imported, Canadians often do not know that their "Product of China" seafood was actually caught in Canada. Further, labelling a product as "product of Canada" is only voluntary according to current regulations meaning that there may be no indication of Canadian origin on a product if it is from Canada.

What current or potential future traceability requirements of other countries affect your ability to import and export? Please provide examples of any related benefits or challenges you may have experienced.

Many of Canada's largest trading partners, including the US, EU and Japan have implemented stronger traceability requirements, particularly with respect to import requirements. For example, the United States' Seafood Import Monitoring Program requires importers to share data about seafood's journey from point of harvest to US port, the European Union developed a catch documentation scheme for all imported seafood products, and in late 2020, Japan became the third major seafood-consuming nation to impose traceability demands with a new law that requires proof of the legality of imported catch. SeaChoice has heard firsthand from government staff that as the US has rolled out their Marine Mammal Protection Act, there has been a lot of work to help processors prove compliance with the requirements. Canada still is lacking the traceability and data capture systems to efficiently comply with increasing regulations and is instead reacting to requirements as they come up. This is inefficient and costly.

SeaChoice expects these challenges to continue as requirements change and the lack of coordination and data accessibility in Canada restricts the government's and industry's capacity to effectively and rapidly comply.

Do you have any comments on measures that would support the marketing of Canadian products, either domestically or abroad?

The government guidelines for voluntary "Product of Canada" claims can mislead consumers and currently do not support the marketing of Canadian products. Under current guidelines, the seafood caught in Canada and processed overseas would not meet the "Product of" threshold, meaning Canadian seafood is still not being recognized. However, imported raw seafood that receives further processing in Canada could be a "Product of Canada" if most of the other ingredients, processing and labour were Canadian. We think this is opposite to what Canadians are looking for in their seafood labelling, as it further reduces transparency and continues to be misleading and not truthful. To better market Canadian products domestically, SeaChoice recommends the CFIA amend its country of origin labelling regulations in this submission to include the geographic origin on all seafood labels.

Do you see opportunities for the market to fulfill consumer interests in sustainable fishing by linking this demand to domestic fish and seafood harvested under Fisheries and Oceans Canada (DFO) oversight? If so, what role do you see your organization playing?

Yes, this will help Canadian products be competitive in the market. Generally, Canada's fisheries management is quite strong and consumers wants to support sustainable Canadian seafood.

As a producer, have you been asked to supply information regarding protection of marine mammals, in particular North Atlantic right whales, in relation to the species you were processing and selling? Were existing measures sufficient to differentiate your product source from those having interactions with marine mammals?

SeaChoice has heard first hand from government staff that as the US has rolled out their Marine Mammal Protection Act, there has been a lot of work to help processors prove compliance with the requirements. Canada still is lacking the traceability and data capture systems to efficiently comply with increasing regulations and are instead reacting to requirements as they come up. This is inefficient and costly. We find that generally there is no clear or available information on fisheries to the public. One of our partner organizations, Ecology Action Centre, has over the years made an effort to create briefing and education materials to differentiate Canadian fisheries measures, gear, and seasons since this information is not readily available.

Do you have additional comments to share about market access and marketing?

Detailed product labelling and traceability are important tools to help companies back-up their environmental claims that they may make on packages or through their marketing. We examined the types and legitimacy of claims made in 2019 through our study, *Certification, Verification or Fabrication?* an investigation of seafood environmental claims in Canadian retailers. The assessed claims included third-party certifications and endorsements, as well as private company self-declarations. We found that self-declared claims were the most frequent environmental claim type across the Canadian retail market. However, this means that most claims in Canada are not subject to any independent oversight or standard. Overall, 77% of all claims provided evidence to back up the claim, but only 58% of all claims were verified as products that were sourced from environmentally friendly sources. SeaChoice recommends the CFIA establish better seafood labelling and traceability laws, like those of the European Union. This would help consumers substantiate the environmental credentials and claims of a given product and protect businesses who are marketing their product.