



CANADIAN FERTILIZER INSTITUTE
INSTITUT CANADIEN DES ENGRAIS

www.cfi.ca

350 Sparks Street, Suite 907, Ottawa, ON K1R 7S8
Telephone (613) 230-2600 | Fax (613) 230-5142

Canadian Fertilizer Institute

Presentation to the

House of Commons Standing Committee on
Agriculture and Agri-Food

Bill C-18, *An Act to amend certain Acts relating to agriculture and
agri-food (Agricultural Growth Act)*

October 30, 2014



Introduction

Thank you for the introduction, Mr. Chairman. Good morning, Members of the Committee.

My name is Clyde Graham, and I am Acting President of the Canadian Fertilizer Institute. CFI represents the manufacturers of nitrogen, phosphate, potash and sulphur fertilizers, as well as major wholesale and retail distributors in Canada.

In 2006, CFI established the Canadian Fertilizer Products Forum at the request of the federal government. An industry stakeholder-led initiative, this Forum aims to improve the regulatory system for fertilizers and supplements through national consensus building. CFI provides administrative and financial support to the Forum



even though most of the members represent companies outside CFI membership.

Context

Canadian farmers spend as much as \$4.0 billion a year on fertilizer, more than any other crop input. It is estimated that without fertilizer, crop production in Canada would decrease by one half. The federal fertilizer regulatory system has served the industry well for the last 50 years.

It has ensured a science-based, consistent regulatory environment for fertilizers and supplements which emphasized the principles of safety AND efficacy for all products.

The fertilizer product regulatory system in Canada is undergoing rapid, continuous and unprecedented change.



Even with Bill C-18 before the House, existing regulations are being modernized and streamlined. This is an attempt to deal with product registration backlog which has recently increased. In 2013, the Government of Canada ended all federal regulation of fertilizer quality and efficacy, while focusing entirely on product safety. This has led to market uncertainty, unexpected regulatory bottle necks and as yet, no measurable increase in access to new innovative fertilizer products.

Recent advancements in innovative fertilizer and supplement technologies have resulted in products which do not share the same established track record of safety, consistency and nutritive benefit as traditional products. It is important, therefore, to monitor both the safety and efficacy of these new offerings to better meet the assurance needs of industry, agricultural producers and



other stakeholders. For example, with consumer interest and concern over food safety and the environment on the rise, better communication of the safety and efficacy of fertilizers and supplements is of paramount importance.

Bill C-18

Bill C-18, which amends the Fertilizer Act, is the latest significant change in the federal regulatory environment. CFI believes there is an opportunity to set federal fertilizer regulation in Canada on a cost-effective and sustainable path. Bill C-18 has a number of enabling provisions that have the potential to improve outcomes. But this will only occur if the government makes the right decisions in developing the regulations that will flow from the legislation. The fertilizer and supplement industry and our farmer customers need to continue to be at the table. That



being said, the fertilizer and supplement industry supports new provisions in the Bill that enable tools such as incorporation by reference, licencing, export certificates and acceptance of equivalent foreign scientific data.

Incorporation by reference

Currently, a detailed list of fertilizer types which are exempt from product registration because they have proven value and safety is imbedded in the Fertilizer Regulations on Schedule II. This product list can only be updated by a Cabinet Order which can take up to two years or even longer. Incorporation by reference would move the list out of the regulation where it could be routinely amended by a simpler process which still incorporates public consultation. CFI has supported this concept for years. Incorporation by reference would



ensure that product lists and other elements are up to date and remain in tune with evolving science and business practice.

Licensing

Bill C-18 allows for the licensing of fertilizer and supplement establishments, which is common in the United States. The Bill also enables the licensing of persons to conduct an activity involving fertilizer and supplements. The Canadian Fertilizer Products Forum has signalled that this is an area that needs to be explored but only with industry consultation. Licensing could assist the transition toward a more preventive and systems-based approach which could include hazard analysis, preventive control plans as well as incorporating international standards. Licensing could reduce the



regulatory burden on importers and manufacturers, but could be costly and unnecessary for agri-retailers who sell fertilizer to farmers. Licensing could facilitate more efficient private sector science evaluation and audit systems. However, any move to licensing will require careful study of cost-effectiveness and benefits of adoption.

Export Certificates

Canada is a major global fertilizer exporter. Bill C-18 would formalize the process of issuing certificates to facilities for the export of fertilizers and supplements. This would be a positive step as long as the CFIA is given the resources to meet these needs.



Information from a Foreign State

Bill C-18 allows for the CFIA to accept foreign scientific data or evaluations for product registrations. This is in line with current practice, but should only be allowed if the foreign information is equivalent to Canadian requirements.

What is fertilizer?

By making a decision to stop regulating fertilizer quality, the federal government has left the fertilizer industry and Canadian farmers without any meaningful definitions or standards for the quality of fertilizer and supplements. We don't want to re-write history but we believe it is important to address this gap in the fertilizer regulations that will be associated with Bill C-18 to minimize the appearance of substandard products on the market.



CANADIAN FERTILIZER INSTITUTE
INSTITUT CANADIEN DES ENGRAIS

www.cfi.ca

350 Sparks Street, Suite 907, Ottawa, ON K1R 7S8
Telephone (613) 230-2600 | Fax (613) 230-5142

Thank you.

I am pleased to answer any of your questions.