



**CRI**

Centre for Regulatory Innovation

## Regulators' Capacity Fund

### *Analysis of Regulatory and Non-Regulatory Barriers to Domestic Red Meat Trade in Canada*

Agriculture and Agri-Food Canada (AAFC) in partnership with the Canadian Food Inspection Agency (CFIA) and the Federal, Provincial, and Territorial (FPT) Domestic Food Trade Working Group (DFTWG)

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\$25,000

Canada's federal food safety standards are based on international standards which is essential for maintaining access to export markets. As a major meat exporting nation, maintaining this access is vital. Under these standards, facilities require a federal license for the interprovincial trade or export of red meat. Meeting federal regulatory requirements to engage in interprovincial trade is viewed by some facilities as too costly or burdensome to undertake.

FPT governments recognize that enhanced interprovincial trade could contribute to the ongoing resiliency and continued economic growth of the agriculture and agri-food sector. Competitiveness is key to promoting recovery, resilience and growth. The issue of interprovincial trade in food goes beyond food safety regulatory requirements and involves disparate food trade initiatives, various levels of government, myriad regulations, and a wide range of players across supply chains.

To understand considerations related to removing regulatory and non-regulatory barriers to domestic trade, AAFC analyzed regulatory and non-regulatory challenges to the domestic trade of red meat in Canada with a view to informing a path forward to enhance economic growth opportunities in that sector. By consulting with stakeholders, AAFC gained insight into the Canadian regulatory structure, the advantages and disadvantages of federal vs provincial standards, and barriers to adopting federal standards. The project report reviewed policy and market context for FTP meat inspection, and interprovincial trade in Canada and highlighted the points of differentiation between provincial and federal inspection.

The project outputs consisted of a report and a presentation, both of which were put before FPT governments. AAFC's analysis confirmed that there are existing challenges to expanding domestic trade, and that while there might be a pathway to enhancing domestic trade, further work needs to be done to understand the implications for international trade. The project results will serve as background and analysis to a larger overall interprovincial food trade project that is being led by FPT Governments, driven by an ongoing economic motivation to facilitate increased competitiveness of firms wishing to expand interprovincially, without compromising food safety or international trade opportunities and obligations. The findings of this project were presented to the joint FPT Policy and Regulatory ADMs.