

E-Phyto Certification

“ Canadian Industry Perspective and Lessons Learned”

Brian Zak
Market Access and Phytosanitary Specialist
Canada Wood
NAPPO – October 23, 2014
Huatulco, Mexico



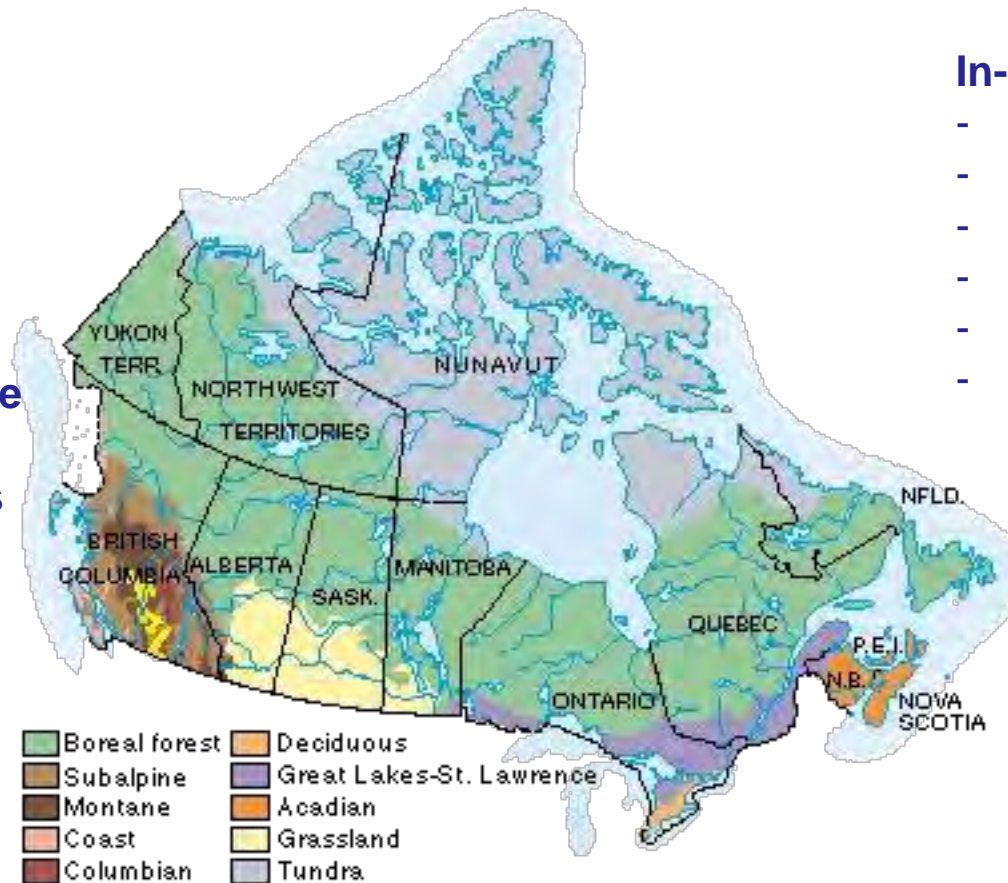
Canada Wood – Export Growth

- Association of Forest Industry Associations who export Forest Products overseas

- Sawn Timber
- Decorative Timber
- Veneer & Plywood
- OSB, MDF, and Engineered Wood
- Pulp & Paper
- Log & Timber frame homes
- Specialty Products
- Remanufactured & Value-Added products
- Shakes/Shingles

In-Market Staff:

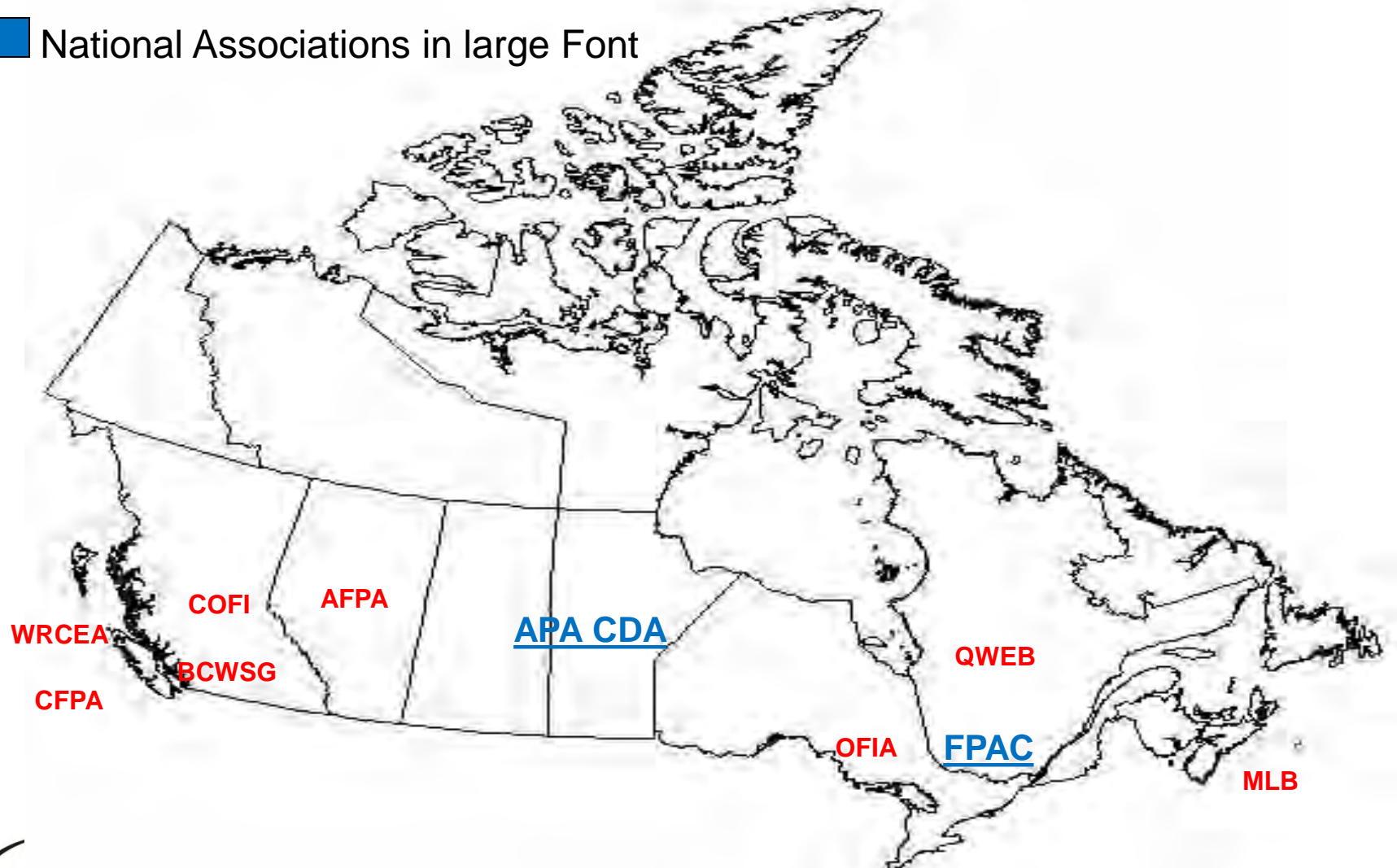
- China
- Taiwan
- Korea
- Japan
- India
- EU



Market Access and Market Promotion Mandates

Canada Wood – Member Trade Associations

■ National Associations in large Font



Canada Wood Members account for > 95% of export shipments





Phytosanitary Requirements Guide of Importing Countries for Canadian Forest Products

Search:

LOGOUT

HOME PAGE

PRODUCT CATEGORIES

PHYTOSANITARY TERMS & INFO

HELP AND "HOW TO"

LIST OF COUNTRIES

USEFUL LINKS

CONTACT US



The intent of this Canada Wood Website is to provide some initial guidance on phytosanitary requirements that are set by the Importing Countries for the import of Canadian Forest Products.

Phytosanitary measures are legislated by importing countries and are intended to prevent the introduction and/or spread of quarantine pests.

In Canada the Canadian Food Inspection Agency (CFIA) verifies that Canadian forest products meet the Phytosanitary requirements of "Importing Countries" prior to leaving Canada. This provides a degree of assurance that exports should be able to enter and reach the importer in a timely manner.

The Country Matrix provides limited information on product categories where there is existing information in the **40 countries** currently addressed which includes the EU 28 and the EU Special Protected Areas as two separate country listings. This information will give you some guidance, but for more detailed information or to ensure this information is current, you are to contact CFIA.

Should you require additional information on different countries that are not listed, or product categories that are not listed, the official source for contact is CFIA.

This website is available in both English and French – which you choose at time of your log- in. The individual Country Regulations have purposely been left in English to avoid potential misinterpretations in the technical translations of the international rules of entry for each country.

To find a CFIA Office in your Area and Region, go to:

Canadian Industry -2013

Associated with Phytosanitary Certificates

- Plant, Food, & Animal exports valued \$80 Billion/year
- 395,000 Phytosanitary Certificates per year associated with plants, food, and animals
- Plant products represent 70,000 PCs to 145 countries:
 - 24% Forestry; 19% Horticulture; 37% grain; 19% Potatoes; 1% Other

	Plants	Food	Animals
# Exporters	2000	700	10,000
# Certificates	70,000	175,000	150,000
# Countries	145	150	150



Industry Support

Benefits of ePhytos

- Improved service delivery of PCs
 - Improved/faster access – Business to Government
 - Reduction in costs – staff time/ delivery fees
 - Exports secured w/Letters of Credit = faster payment
- Safe and secure delivery – Gov't to Gov't
- Reduce documentation issues on entry
- Quicker release of products to industry customers
- Bottom line – reduced time requirements for both industry and CFIA.



CFIA Re-Structuring

- New Agency Inspection Model (A.I.M.)
 - Risk based approach to program delivery
- Increasing “Systems Approaches” to phytosanitary measures are part of the framework
 - Requires CFIA to engage in bilateral discussions and develop realistic budgets to accomplish
- Heat Treatment Certificates are one example of a systems approach - option to a phyto certificate
 - An ePhyto Certification program has to incorporate 3rd-party generated packets of phyto information.



Canada's E-Phyto Status

- Despite industry push since 2009 – Canada is behind in its development of E- Certification
- Canada's CFIA is slowly moving forward:
 - Readiness factor is 2 to 4 years away
- Canadian industry competitiveness at risk with many competitors ready as of April 2014
- Canadian industry wants to move more quickly than current plans:
 - Outsourcing quotes offer time frame of 3-6 months
 - Government has opportunity to speed up the process and save money.



E-Phyto Certification

Issues Needing to be Addressed

- Inclusion of 11,000 “industry” certifications as options to PCs for inclusion in E-Delivery:
 - Heat Treatment Certificate or a KD/HT Certificate plus other System’s approach Certificates
- Hard copy of PCs and Industry Certificates for shipping manifests and files as “back-up”
- Customer Transactions using Letters of Credit through banks – require an original PC:
 - Need International Banking Community on side
 - Industry can address at HQ of Financial institutions



Lessons Learned

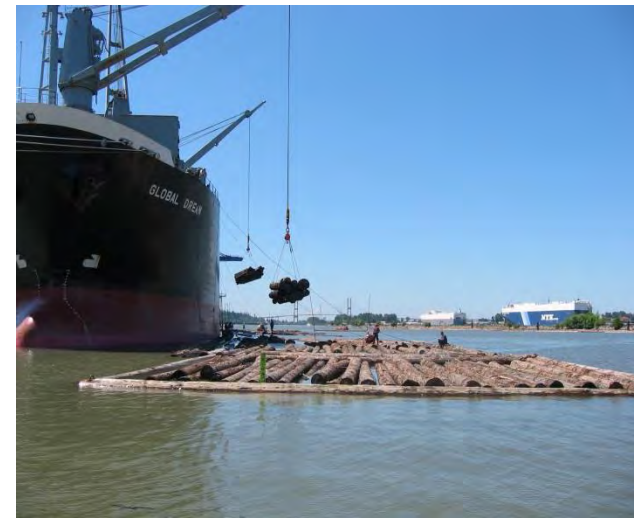
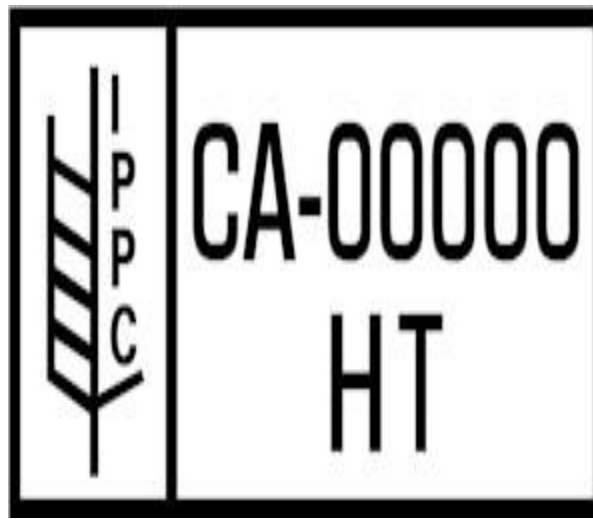
- Mexico and U.S. are leading the way in e-phyto certifications – we can learn from them.
- Industry opinion that the E-Phyto Cert process development should have been “managed” through a multiple stakeholder group – not just conference calls by CFIA staff with stakeholders.
- Canadian industry should have been far stronger in stressing the importance of e-phytos to CFIA.
- Canada now at trade disadvantage and is higher cost compared to its competitors – we need to become better at what we do while we wait for e-phytos.



Additional Suggestions

- Schema needs to recognize “trade names” and “collective-species” products, and unique phyto bilateral arrangements.
- Industry favors “push” process for phyto information transfer to aid entry planning at Ports – could reduce demurrage.
- Single-window approach is favored by industry – reduces multiple submissions:
 - HS Codes, Import permits, Country of Origin Certificates, market access entry requirements of product legality i.e. Lacey Act in US, EU Illegal Timber Regulations, AU Illegal Logging Prohibition.





Safe Trade Does Not Just Happen

Industry, Scientists, and NPPOs need to work together to make it happen

Brian Zak – Canada Wood Phytosanitary Specialist
zak@allforestsolutions.com



Questions?

