

**Agriculture Council of Saskatchewan (ACS)
Quality Management Standards Policy
for the
Canadian Agricultural Adaptation Program (CAAP)**

Quality Management Standards are recognized nationally and internationally and are becoming a required identity within the agriculture and agri-food industry.

CAAP may provide funding assistance to agriculture and agri-food companies in Saskatchewan, which will not normally exceed 50% of eligible non-capital project costs for a for-profit applicant, and 85% of eligible non-capital project costs for a not-for-profit applicant, to a maximum contribution, over the life of the program, of \$250,000. This assistance is generally targeted toward the following eligible expenditures:

- Third party fees and costs
- Staff training (a maximum of three Quality Control Managers/Assistants to the point of formal certification or recognition). Eligible costs to include travel expenses (limited to: transportation, accommodation, training event registration fees/tuition, meal per diem based upon provincial guidelines in effect at the time of travel). One individual per event.
- In-House Training – (to a maximum of one eight hour day, at applicant’s location - third party fees and costs to conduct in-house staff training to ensure that all involved staff is aware of proper standard implementation procedures)

Eligible Quality Programs

Allergen Control Program – Maximum CAAP contribution of \$60,000 (CDN)

The Allergen Control Program provides funding assistance to enable third party providers to develop and implement an “Allergen Alert Program” within your operation. This initiative provides for activities in program development which satisfies either and/or both the Canadian and American Food Industry Regulations governed through the Canadian Food Inspection Agency (CFIA) and the (U.S.) Food and Drug Administration (FDA). Training costs may be eligible.

American Institute of Baking (AIB) HACCP Accreditation Program – Maximum CAAP contribution of \$80,000 (CDN)

American Institute of Baking (AIB) HACCP Audit Program – Maximum CAAP contribution of \$15,000 (CDN)

The American Institute of Baking (AIB) International is a corporation founded by the North American wholesale and retail baking industries as a technology transfer centre for bakers and food processors. The original mission of the organization was to “put science to work for the baker”, and that basic theme is still central to all of the programs, products and services provided by AIB to baking and general food production industries worldwide. The AIB HACCP Accreditation Program will enhance an applicant’s existing HACCP program to AIB

Accreditation standards. CAAP funding allows for third party fees and costs for enhanced program development. Training costs may be eligible. CAAP funding also allows for third party initial AIB accreditation audit costs.

British Retail Consortium Global Standards (BRC) Accreditation Audit - Maximum CAAP contribution of \$ 50,000 (CDN)

A recent agreement between the British Retail Consortium (BRC) and the Retail Industry Leaders Association (RILA) advances the retail industry's commitment to ensuring the safe and consistent quality of its products through the independent certification of producers' operations against the BRC Global Standard for Consumer Products. The BRC Global Standards is a suite of four industry-leading technical standards that specify the requirements which, when met, will enable the production, packaging, storage and distribution of safe food and consumer products. Originally developed in response to the needs of UK members of the British Retail Consortium, the standards have gained usage world-wide.

Certification to a global standard, which is achieved through audit by a third party certification body, is an effective and cost efficient way for retailers to establish confidence in products, reassures retailers and branded manufacturers of the capability and competence of the supplier, and reduces the need for retailers and manufacturers to carry out their own audits, thereby reducing the administrative burden on both the supplier and the customer

CAAP funding allows for third party fees and costs incurred in the initial BRC accreditation audit.

European Union (EU) Certification – Maximum CAAP contribution of \$75,000 (CDN)

European Union (EU) Audit – Maximum CAAP contribution of \$30,000

Prior to exporting to any one of the 27 European Union (EU) countries, Canadian manufacturers must obtain EU certification which will prove conformity to, and compliance with, EU regulatory requirements. CAAP funding allows for third party fees and costs incurred for program development. Training costs may be eligible. CAAP funding also allows for third party costs associated with an initial EU certification program audit.

Food Safety System (FSSC 22000) Certification – Maximum CAAP contribution of \$60,000 (CDN)

Food Safety System (FSSC 22000) Audit – Maximum CAAP contribution of \$20,000 (CDN)

The Foundation for Food Safety Certification was founded in 2004 and developed FSSC 22000, the ISO 22000 and PAS 220 based certification scheme for certification of food manufacturers. This development is supported by the Confederation of the Food and Drink industries of the European Union (CIAA). The scheme is recognized by the Global Food Safety Initiative (GFSI).

FSSC 22000 contains a complete certification scheme for food safety systems based on the food safety management standard ISO 22000:2005 “Requirements for any Organization in the Food Chain”, and the publicly available specifications for prerequisite programs on food safety for food manufacturing. This scheme uses existing standards for certification and the certification

will be accredited under standard ISO guide 17021.* This program is developed for the certification of food safety systems of food manufacturers that process or manufacture animal products, perishable vegetal products with a long shelf life and other food ingredients like additives, vitamins and bio-cultures.

(*Manufacturers that are already certified against ISO 22000 will only need an additional review to meet this certification scheme. In this case, funding may not be made available to the maximum outlined above.)

CAAP funding allows for third party fees and costs for enhanced program development. Training costs may be eligible. CAAP funding also allows for third party initial FSSC 22000 accreditation audit costs.

Global Food Safety Initiative (GFSI) Accreditation – Maximum CAAP contribution of \$60,000 (CDN)

Global Food Safety Initiative (GFSI) Audit – Maximum CAAP contribution of \$20,000 (CDN)

The Global Food Safety Initiative (GFSI) is a non-profit making foundation created under Belgian law in 2000. GFSI benchmarks existing food standards against food safety criteria and also looks to develop mechanisms to exchange information in the supply chain, to raise consumer awareness and to review existing food retail practices. The GFSI program provides a framework for a system of independent certification that a supplier's food safety and quality management system complies with international and domestic food safety regulations. This enables suppliers to assure their customers that food has been produced, processed, prepared and handled according to the highest possible standards, at all levels of the supply chain.

CAAP funding allows for third party fees and costs for enhanced program development. Training costs may be eligible. CAAP funding also allows for third party initial GFSI accreditation audit costs.

Natural Health Products Program (NHP) – Maximum CAAP contribution of \$20,000 (CDN)

Natural health product, or NHP, is a term used in Canada to refer to a range of health products including vitamin and mineral supplements, herbal and plant-based remedies, traditional medicines, homeopathic medicines, omega and essential fatty acids and probiotics. Many everyday consumer products may also be classified as NHPs in Canada because of their medicinal ingredients and intended uses.

In Canada, the commercial sale of natural health products is subject to the licensing provisions of the Natural Health Products Regulations which came into effect on January 1, 2004. The purpose of the regulations is to help assure that Canadians have access to NHPs that are safe, effective and of high quality.

To be legally sold in Canada, all NHPs must have a product license, and the Canadian sites which manufacture, package, label and import these products must also have site licenses. There are also specific labeling and packaging requirements, as well as good manufacturing

practice standards and evidence norms that must be met in order to obtain product and site licenses.

CAAP funding will provide for third party fees and costs incurred for the development and implementation of the protocols required within the chain process of product or processing activities which allow the applicant to obtain the product and site licenses required. Training costs may be eligible.

Safe Quality Food (SQF) Accreditation – Maximum CAAP contribution of \$60,000 (CDN)

Safe Quality Food (SQF) Audit – Maximum CAAP contribution of \$20,000 (CDN)

SQF is recognized by retailers and foodservice providers around the world who require a rigorous, credible food safety management system. Using the SQF certification program will help reduce assessment inconsistencies and costs of multiple assessment standards. The SQF Program is recognized by the GFSI and links primary production certification to food manufacturing, distribution and agent/broker management certification. The SQF Program provides two standards based on the type of food supplier: SQF 1000 for primary producers and SQF 2000 for manufacturers and distributors. Within these two standards, SQF helps make certification more attainable for smaller companies by dividing the process into three steps: from Level 1, which incorporates fundamental food safety controls appropriate for low-risk products; all the way to Level 3, indicating a comprehensive implementation of food safety and quality management systems development.

CAAP funding allows for third party fees and costs for enhanced program development. Training costs may be eligible. CAAP funding also allows for third party initial SQF accreditation audit costs.

Silliker HACCP Accreditation – Maximum CAAP contribution of \$80,000 (CDN)

Silliker HACCP Audit Program – Maximum CAAP contribution of \$15,000 (CDN)

Silliker provides food manufacturers, restaurants, caterers and retailers with consulting, testing, auditing, research and training services that help assure quality, safety and nutrition. Silliker is recognized for their expertise in delivering accurate information in a timely manner that helps identify operational problems, anticipate areas of concern and institute practical controls associated with agri-food safety and quality risks. The Silliker HACCP Accreditation Program will enhance an applicant's existing HACCP program to Silliker Accreditation standards.

CAAP funding allows for third party fees and costs for enhanced program development. Training costs may be eligible. CAAP funding also allows for third party initial Silliker accreditation audit costs.

U.S. Food and Drug Administration Registration (FDA Registration) – Maximum CAAP contribution of \$10,000 (CDN)

The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (the *Bioterrorism Act*) directs the Food and Drug Administration (FDA), as the food regulatory agency of the Department of Health and Human Services, to take additional steps to protect the public from a threatened or actual terrorist attack upon the U.S. food supply and other food-related

emergencies. To carry out certain provisions of the *Bioterrorism Act*, the FDA has established new regulations which require that:

- Food facilities are registered with the FDA; and,
- FDA be given advance notice on shipments of imported food.

As a consequence, the *Bioterrorism Act* requires that all domestic and foreign facilities that manufacture, process, pack, or hold food for human or animal consumption in the U.S. be registered with the FDA by December 12, 2003.

CAAP funding will provide for third party fees and costs associated with the implementation of surveillance requirements to meet the requirements of the *Bioterrorism Preparedness and Response Act*. Training costs may be eligible.

Eligible Quality Stand-Alone Audits

Food Service Compliance Audit – Maximum CAAP contribution of \$50,000 (CDN)

This initiative provides funding for third party fees and costs associated with a foodservice compliance audit. Multi foodservice audits* are allowable up to a maximum of \$50,000 per applicant over the life of the CAAP program.

*One audit per vendor

Ingredient Compliance Audit – Maximum CAAP contribution of \$50,000 (CDN)

This initiative provides funding for third party fees and costs associated with an ingredient compliance audit. Multi ingredient compliance audits* are allowable up to a maximum of \$50,000 per applicant over the life of the CAAP program.

*One audit per vendor

Retailer Compliance Audit – Maximum CAAP contribution of \$50,000 (CDN)

This initiative provides funding for third party fees and costs associated with a retailer compliance audit. Multiple retail compliance audits* are allowable up to a maximum of \$50,000 per applicant over the life of the CAAP program.

*One audit per retailer

Pet Food Compliance Audit – Maximum CAAP contribution of \$50,000 (CDN)

This initiative provides funding for third party fees and costs associated with a pet food compliance audit. Multiple pet food compliance audits* are allowable up to a maximum of \$50,000 per applicant over the life of the CAAP program.

*One audit per vendor

Note

In the event that CAAP funding is approved for the purposes of conducting an audit, note that it is the audit held to initially achieve the targeted accreditation, certification or compliance only, except where noted. Follow-up audits that may be conducted to ensure continuation and maintenance of accreditation, certification or compliance are considered to represent the applicant's ongoing business practices and, as such, are ineligible under CAAP.

Application Instructions

In addition to fully completing the CAAP application form, please note the following application requirements:

- Applicants are encouraged to obtain competitive bids from third party service providers
- Application materials will require the rationale for the third party selection
- Application materials must describe the applicant's action plan in developing and implementing the selected quality program and include a listing of project activities including training and protocol implementation
- Application must include a timeline of quality program implementation and the associated costs of each activity involved
- Application must include an overview of the applicant's corporate structure
- Where training costs may be eligible, the application must contain a full outline of the proposed training plan. The plan must identify each training event(s) or segment proposed and for which funding is requested. In addition, for each training event or segment proposed, the plan must identify the rationale for undertaking that specific training event, the participant(s), timeline(s) and the cost.

Conditions of Payment

CAAP payments will be made upon receipt of progress reports, due at least semi-annually, which include copies of paid invoices and copies of payment proof. CAAP will withhold 25% of the total approved funding contribution pending receipt of the final audit report or quality assurance program certificate(s).

Amended July 20, 2011