

Europe: CETA puts your food safety at risk

The proposed Comprehensive Economic and Trade Agreement (CETA) between Europe and Canada will have a major impact on food and how it will be regulated.

History shows that trade agreements put food safety at risk by harmonizing standards and reducing regulations to the lowest common denominator. If CETA is ratified, it will jeopardize the EU's own food standards and regulations.



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What does CETA put at risk?

Family farms



Small farms will be replaced with factory farms. In Canada, thanks to the North American Free Trade Agreement, agriculture exports tripled from \$11 billion to \$33 billion between 1988 and 2007, yet net farm income fell by more than half during this same period while farm debt doubled.¹ Canada lost many family farms – from 366,128 in 1970 to 204,730 in 2011.² Now most cattle, hogs and poultry are concentrated in large factory farm holdings. Some feedlots contain more than 20,000 head of cattle, or between 5,000 and 20,000 hogs. For poultry, as many as 100,000 birds are squeezed into small areas.

Under CETA, small family farms will continue to disappear in Canada and in the EU, along with a way of life that has existed for centuries. Countries with smaller farms and farmers who depend on agriculture as a way of life will be most heavily affected.

Animal welfare



Animal welfare standards are lower in Canada than the EU. Seven hundred million animals are slaughtered for food in Canada, but there are no penalties for non-compliance with voluntary codes of practice for animal welfare. There is little scrutiny of meat producers, who are under market pressure to raise livestock at the lowest price.

Under CETA, Canada would be exporting meat raised under these conditions. EU producers would be forced to compete with these cheaper but less humane practices.

Regulatory harmonization



Through CETA, the EU and Canada want to reduce “barriers to trade” by minimizing rules that govern the movement of goods that may pose health risks. Other trade agreements show that countries will do this through harmonization of things such as maximum residue levels (MRLs) – the amount of legally acceptable pesticide in any given food.

Canada and the European Union have different levels of acceptance for pesticides.

Here are two examples:

Neonicotinoids are pesticides commonly used as commercial insecticides. They have been linked to the deaths of millions of bees globally. The European Commission has already banned some of the chemicals containing neonicotinoids after the European Food and Safety Agency said they negatively affect bee colonies and pollinators.³ In Canada, Health Canada is still reviewing the issue and the products remain on the market.

Glyphosate is a herbicide that is the active ingredient in Monsanto’s product “Roundup.” The World Health Organization (WHO) classified glyphosate as “probably carcinogenic” to humans.⁴ In April 2015, the Canadian government found that glyphosate is “unlikely to pose a human cancer risk.”⁵ In March 2016, the European Committee on Environment, Public Health and Food Safety voted against the Commission’s proposed renewal of glyphosate. Despite the European Council voting to reject glyphosate on June 24, four days later the European Commission announced the renewal of Monsanto’s permit.

Research on harmonization efforts, like those around pesticide residue levels, shows harmonization has helped increase the market size and concentration of the chemical industry.⁶ Instead of making standards fairer for all players, harmonization can change the rules to the advantage of bigger players by adjusting entry barriers and options for producers in smaller crop markets.

Geographical indications



Geographical indications (GIs) are names or signs used to identify products that correspond to a specific geographical location. They act like a brand that attracts customers and allows producers to charge a premium price. They also guarantee a certain quality of production and follow strict guidelines. Unlike trademarks, they cannot be bought or sold;⁷ they belong to the regional producers accredited by an association. They

are accepted in international trade agreements with their inclusion in the WTO's Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement.

But while 145 European food names for products sold in Canada are protected, and there is some protection for wines and spirits through existing agreements, thousands of European GIs are not

protected. For example, Cornish pasties and Yorkshire Wensleydale cheese are not protected. In addition to the 145 GIs, there are 20 wines and spirits protected under the 2003 EU-Canada agreement on these products in the Canadian market. Yet there are more than 1,400 GIs either recognized by the EU as registered or in the process of being registered. Therefore only 10 per cent of GIs are protected in CETA.⁸

What foods might cause problems in Europe if CETA is ratified?

Beef and pork imports



The EU would increase its imports of Canadian beef and pork under CETA. Canadian regulations allow beef and chicken to be washed and processed with chlorinated water, a process that is banned in the EU.⁹ In 2013 the EU dropped its ban on beef rinsed in lactic acid as a sign of good faith before trade deal negotiations began with the U.S. This shows that the European Union is willing to lower its standards in certain areas to accommodate trade deals.

Meat products



Canada has had problems with inspections of meat products. In 2012 and 2014, E. coli was found in shipments of beef from a meat processing and packaging plant in Alberta. Forty per cent of the cattle in Canada is slaughtered and packaged at this plant. The Canadian government has exacerbated the situation by laying off 100 food safety inspectors to cut costs.

Meat injected with ractopamine



Ractopamine is a beta agonist growth stimulant. It is banned in 160 countries – including the EU – over concerns about its impacts on human health.¹⁰ In Canada, ractopamine is permitted and is used as a veterinary drug that is injected in cattle, swine and turkeys. The stimulant is injected before slaughter so residue levels remain in the food.¹¹

Genetically modified foods



Canada is among the top three largest producers of genetically modified (GM) foods in the world.¹² According to Health Canada, the government isn't aware of "any published scientific evidence demonstrating that novel [GM] foods are any less safe than traditional foods."¹³ Mandatory labelling to identify GM foods is not required, although voluntary labeling is permitted. The EU, in contrast, has adopted mandatory labelling for any product that has been genetically modified (containing more than 0.9 per cent GM ingredients).¹⁴ The EU's "zero tolerance approach" allows 0.1 per cent of GM material in unapproved varieties.

Even though the EU does not use GM crops for direct human consumption, two are allowed in animal feed, and Canadian GM soybeans are widely used in the EU.

Europe has committed to cooperate on issues surrounding GM foods. According to the Canadian Centre for Policy Alternatives, the regulatory cooperation provisions in CETA will "create new channels for industry to apply pressure to weaken EU food safety standards."¹⁵ This could lead to EU imports of Canadian GM canola oil, maize (corn), soybean and sugarbeets.

Two other GM foods to note include:

GM apples: In March 2015, the Canadian Food Inspection Agency gave permission to a British Columbia-based company, Okanagan Specialty Fruits Inc., to grow and sell a brand of GM apples in Canada.¹⁶ The apple has been modified so that it does not brown when cut or bruised. Under CETA Canada will increase its apple exports to Europe because the EU seasonal tariff on Canadian apples (as high as nine per cent) will be reduced to zero per cent.¹⁷ Therefore, it is possible – even likely – that Canadian GM apples will enter the European market.

GM salmon: In November 2015, the U.S. Food and Drug Administration allowed an American company to market its GM fish as a food product. Health Canada may adopt a similar policy. This salmon will contain a growth hormone from a Chinook salmon and a gene from an ocean pout – an eel-like fish – so that it will grow to maturity at twice the normal rate. The result is a fish that is large enough to eat in about a year and a half, rather than the typical three years. In May 2016, Health Canada and the Canadian Food Inspection Agency announced AquaBounty's genetically modified salmon has been approved for sale as food in Canada.

This is the first genetically modified animal to be approved in Canada for both human and animal consumption, whether it is fish filets, fish oil or fish meal. And in Canada, the company is not required to label it on grocery shelves.

Tariff rates on salmon, which now range up to 15 per cent, will be eliminated under CETA, so more Canadian salmon will be sold in Europe.

Food colouring



Canada has 15 lists of permitted food additives for sweeteners, preservatives, firming agents and other substances. With colouring agents, the current Canadian regulation is that food manufacturers can label food colours using their common name. For example, manufacturers can list "Fast Green FCF," or simply "colours."

There are some food dyes that are allowed in Canada, but not in Europe, including Fast Green FCF and Citrus Red No. 2 (labelled as "restricted use" in the EU).¹⁸ Allura Red, Ponceau SX, Brilliant Blue FCF, indigotine and tartrazine are banned in some EU member states. Labelling requirements in the EU are also more stringent than in Canada.

Given the different approaches to food dyes, regulatory cooperation will most likely be required and corporations will be seeking the least restrictive standards.



What about the precautionary principle?

The precautionary principle puts the burden of proof on the product creator to prove that the product is not dangerous. While the precautionary principle is relied on heavily in Europe, it is applied

much less regularly in Canada. Many questions remain about how CETA will influence domestic policies and the EU's right to regulate using the precautionary principle.

What happens when there are disagreements about trade rules?

When agreement cannot be reached through other channels, corporations can launch trade complaints through the investor-state dispute settlement (ISDS) mechanism. ISDS provisions give corporations a powerful tool to challenge government policies or regulations even if they are made in the public interest. There are

many examples of governments being sued for millions – even billions – of dollars or euros when government decisions impact or hinder corporate profits. This means that even if the EU tries to keep its more stringent rules in place, corporations can sue if these rules restrict their businesses.

Conclusion

It is clear that Canada has many regulations for things such as GM foods, pesticides, food dyes, chlorinated chicken, hormones and animal welfare that are not as robust as EU regulations. Europeans must know what these practices are – and how their own regulations could be downgraded – before they make a decision on CETA.

Under CETA, tariff rate quotas for Canadian meat increase to 80,000 tons of pork and 65,000 tons of beef. These new quotas would be phased in over three to seven years. This was decided before Britain voted to leave the European Union. Without Britain, Canada's biggest export

partner in the EU, according to many analysts the quotas are exceedingly high and would impact Continental European farmers already facing a crisis over low agricultural prices.

There are many similarities in the scope and content of CETA and the EU's pending trade agreement with the U.S., the Transatlantic Trade and Investment Partnership (TTIP). And while an agreement with Canada may seem less dangerous than an agreement with the United States, many of the American practices are prevalent in Canada and are just as concerning. It is clear there is much at stake for both Canadians and Europeans if CETA is ratified.

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