



Agriculture and
Agri-Food Canada

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Canada

Exporting Fish and Seafood to the EU:

A Guide for Canadian Business

Exporting Fish and Seafood to the EU: A Guide for Canadian Business

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About this Guide

The Canadian fish and seafood sector is a high-value sector and a major contributor to the Canadian economy, especially in Atlantic Canada, Quebec and British Columbia. In 2015, the value of Canada's fish and seafood exports was \$6.0 billion, and roughly 75% of this was destined for export. The United States is Canada's largest export market (representing roughly 64% of seafood trade) followed by China (11%), the European Union (10%), Japan (4%) and Hong Kong (2%).



In September 2017 the Canada-EU Comprehensive Economic and Trade Agreement (CETA) entered into force, giving Canadian companies unprecedented access to the European market and its over 500 million consumers - a great many of whom enjoy and appreciate high quality fish and seafood products. The reduction in tariffs on 96% of Canadian fish and seafood products is an opportunity not to be missed!

This guide will provide information on the EU market, CETA, and how to export your fish and seafood products to this promising market.

Canada's fish and seafood industry and the Government of Canada

The Government of Canada's responsibility for the fish and seafood industry is split between three organizations:

- Fisheries and Oceans Canada regulates and manages the production end of the business, wild or farmed fish when they are in the water.
- Agriculture and Agri-Food Canada (AAFC) provides market-development and traceability support.
- The Canadian Food Inspection Agency (CFIA) sets the policies, requirements and inspection standards for food and feed production and export.

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1. Understanding the EU fish and seafood market

An overview of the EU fish and seafood market

The EU is the world's largest single market and is a key trading partner full of growing opportunities. It is also a Customs Union with its 28 member states forming a single territory for customs purposes, meaning:

- No customs duties are paid on goods moving between EU Member States.
- All Member States apply a common customs tariff for goods imported from outside the EU.
- Goods that have been legally imported can circulate

Top 5 reasons to consider exporting to the EU:

- The EU is the world's largest importer of fish and seafood products - \$36.2 billion in 2016.
- It accounts for 27% of the world's total fish and seafood imports.
- It has a high per capita average annual consumption of seafood: 25.1 kg (2015).
- Imports account for 52.5% of total EU fish and seafood consumption.
- CETA offers a big opportunity!

The EU is the **largest trader of fishery and aquaculture products in the world in terms of value** with a trade worth € 54,3 billion for 14,1 million tonnes of product in 2016. The EU is also a net importer of fisheries and aquaculture products with the main imported species being tuna, cod, salmon, Alaska Pollock, herring, mussels, mackerel, hake, squid and tropical shrimp.



The **largest per capita consumers** of fish and seafood are Portugal, Spain, France, Luxembourg, Malta Italy, Sweden, and Latvia who all consume higher than the EU average. The UK, Belgium, Finland and Denmark consume just under the EU average. **Taken from The EU Fish market – 2017 Edition:** <http://www.eumofa.eu/eumofa-publications>.

The fish and seafood market in the EU is projected to grow at a steady pace. Growth depends on a number of factors, including consumer confidence in the products they are buying and eating. The latest trend in the EU points toward the desire to eat more naturally, fuelled by strong consumer interest in healthy eating, environmental preservation, and more sustainable sourcing. With their strong purchasing power, these concerned citizens tend to influence the market towards more sustainably sourced fish and seafood.

The EU fish and seafood market is also facing challenges including mislabelling, environmental and ecological issues, and food safety. Given that fish and seafood is relatively expensive when compared to other proteins such as beef and poultry, consumers seek reassurances from their supermarket or fishmonger that the products they are purchasing are as sustainable, environmentally friendly and healthy as possible.

Publications by the [European Market Observatory for Fisheries and Aquaculture Products \(EUMOFA\)](#) provide regular studies on prices by species and other reports on the status of fisheries and fish consumption in the EU. An example is their annual "[EU fish market report](#)" which gives an excellent overview of the market.

Preparing for EU markets

Once you've decided to export to the EU, the next thing to do is identify a market where people will want to buy your product and where you can reasonably expect to be successful and turn a profit.

While the EU is technically a single market, there are regional and country preferences in terms of the food products they eat and the price point they are prepared to pay for them. If your target list has several countries on it, you should consider narrowing it down, at least in the beginning, to one or two markets that offer the most potential for success.

Find fish and seafood opportunities in Europe

Visit [Agriculture and food market intelligence - Europe](#) to learn about market trends and opportunities.

Key questions to ask in evaluating your market options:

Market size and growth

- Are there a lot of products already in the market that would compete with yours?
- Are there cultural factors that may affect the marketability of your product?
- Can you match or beat the prices your competitors are charging?
- Does your product have something new or unique to offer?
- How many potential buyers are there likely to be?
- How much is spent annually on products like yours?

- Is the demand for your type of product likely to grow or shrink?
- Is the market or segment growing rapidly? If so, can you develop new products to take advantage of this?

Market accessibility

- Are there any restrictions on your product in the market you want to export to?
- Are there high tariff and/or non-tariff barriers for products such as yours?
- Will shipping your products to the market be expensive and/or logically complicated

2. CETA, a real opportunity for Canadian fish and seafood!



The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) is an ambitious agreement covering many aspects of trade and investment which will create jobs, strengthen economic relations and boost Canada's trade with the world's second-largest market. CETA is a progressive free trade agreement which covers virtually all sectors and is designed to eliminate or reduce barriers to trade.

Expansion of market share and opening markets for new products

Canada's fish and seafood sector stands to benefit significantly from the reduced tariffs afforded by CETA.

- Prior to CETA's entry into force, only 25% of EU tariff lines on Canadian goods were duty-free.
- As of September 21st 2017, 96% of Canadian fish and seafood products can enter the EU duty-free. This increases to 100% after 7 years.
- Tariffs have been as high as 25% on some fish and seafood products exported from Canada to the EU.

Under CETA, tariffs have been either eliminated entirely or are being progressively phased-out such that within seven years all tariffs on fish and seafood exports from Canada to the EU will be at zero. This provides exporters with an opportunity to sell products that were previously too cost-prohibitive to sell into the EU, or to increase their market share, especially over competitors from countries that do not have a preferential trade agreement in force with the EU, such as the USA.

More information: [Opportunities and Benefits of CETA for Canada's Fish and Seafood Exporters](#)

Customs and trade facilitation

Cost savings may also be achieved through CETA commitments on customs and trade facilitation, which are aimed at reducing processing times at the border and making the movement of goods cheaper, faster, more predictable and efficient. This includes providing access to advance rulings on the origin or tariff classification of products, the automation of border procedures where possible, and an impartial and transparent system for addressing complaints about customs rulings and decisions.

Tariff elimination

How does tariff elimination occur under CETA?

For products that have their tariffs phased-out, this occurs in 4, 6 or 8 stages depending on the Staging Category in which the product is categorized.

Free tools that allow Canadian exporters to check tariffs on their products to the EU, including CETA-related staging and tariff elimination:

- [Canada Tariff Finder](#)
- [European Commission Trade Helpdesk](#)

The tables below show the amount of applied duty at each phase. The first cut happened in Year 1, which was on September 21st 2017, the date of entry into force of the agreement. The second cut occurred in Year 2 which was January 1, 2018. The remaining cuts will occur on January 1st of subsequent years.

Tariff elimination under CETA

Year	Staging category A = Duty eliminated immediately	Staging category B = Duty eliminated in 4 equal stages	Staging category C = Duty eliminated in 6 equal stages	Staging category D = Duty eliminated in 8 equal stages
1	0% of the duty (duty-free)	75% of the duty	83.33% of the duty	87.5% of the duty
2		50% of the duty	66.68% of the duty	75% of the duty
3		25% of the duty	50% of the duty	62.5% of the duty
4		0% of the duty (duty-free)	33.36% of the duty	50% of the duty
5			16.66% of the duty	37.5% of the duty
6			0% of the duty (duty-free)	25% of the duty
7				12.5% of the duty
8				0% of the duty (duty-free)

Transitional tariff rate quotas

CETA also provides transitional tariff rate quotas (TQs) for two fish and seafood products, with a seven-year phase out:

TQ Shrimps - Processed shrimp

Originating goods from tariff codes 1605.21.90, 1605.29.00, 0306.26.10, 0306.27.10, 0306.16.10 and 0306.17.10 shall have a transitional quota: Years 1-7 = 23,000 metric tonnes/year. Exports in excess of the quota will benefit from the reduced preferential rate. Starting in year 8, all exports will be duty free for unlimited volumes.

TQ Cod - Frozen cod

Originating goods from tariff codes 0304.71.90 and 0304.79.10 shall have a transitional quota:
Years 1-7 = 1,000 metric tonnes/year

Related information from the text of CETA:

- [Annex 2-A: Tariff elimination](#)
- [Annex 2-A: Tariff schedule of Canada](#)

CETA rules of origin

To be eligible for preferential tariff treatment in the EU, fish and seafood products under Harmonized Standard Code (HS Code) [Chapter 3 - Fish and crustaceans, molluscs and other aquatic invertebrates](#) and [Chapter 16 - Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates](#) require that products be wholly obtained.

For Canada, this means fish and seafood:

- caught by Canadians fishing in Canadian waters, or
- caught in the Canadian/European Exclusive Economic Zone (EEZs), in the high seas or in the EEZs of other countries by licensed Canadians using registered vessels that are entitled to fly the Canadian flag.

What is my product is made with non-originating materials?

There are quotas within CETA to allow for some fish and seafood products made with non-originating (imported) ingredients to be imported at zero-duty under 'sufficient production' rules.

The following is an excerpt from the [CETA protocol on rules of origin and origin procedures](#):

Section B – Fish and Seafood

Table B.1 – Annual Quota Allocation for Fish and Seafood Exported from Canada to the European Union

Harmonized System classification	Product description	Annual quota for exports from Canada into the European Union (metric tonnes, net weight)
ex 0304.83	Frozen fillets of halibut, other than <i>Reinhardtius hippoglossoides</i>	10
ex 0306.12	Cooked and frozen lobster	2,000
1604.11	Prepared or preserved salmon	3,000
1604.12	Prepared or preserved herring	50

ex 1604.13	Prepared or preserved sardines, sardinella and brisling or sprats, excluding <i>Sardina pilchardus</i>	200
ex 1605.10	Prepared or preserved crab, other than <i>Cancer pagurus</i>	44
1605.21-1605.29	Prepared or preserved shrimps and prawns	5,000
1605.30	Prepared and preserved lobster	240

Growth Provisions Related to Table B.1

- For each of the products listed in Table B.1, if more than 80 per cent of an origin quota assigned to a product is used during a calendar year, the origin quota allocation will be increased for the following calendar year. The increase will be 10 per cent of the origin quota assigned to the product in the previous calendar year. The growth provision will apply for the first time after the expiry of the first complete calendar year following the entry into force of this Agreement and will be applied for four consecutive years in total.
- Any increase in the origin quota volume will be implemented in the first quarter of the subsequent calendar year. The importing Party shall notify the Party of export in writing if the condition in paragraph 1 is met, and if so, the increase in the origin quota and the date on which the increase is applicable. The Parties shall ensure that the increased origin quota and the date on which it becomes applicable are publicly available.

Review Provision Related to Table B.1

After the completion of the third calendar year following the entry into force of this Agreement, at the request of a Party, the Parties will engage in a discussion on possible revisions to this Section.

3. Exporting fish and seafood from Canada

The Canadian Food Inspection Agency (CFIA) is responsible for regulating the export of fish and seafood products. To be eligible for export, fish and seafood destined for human consumption must originate from a registered fish processing establishment and meet defined standards.

There are regulatory exceptions for live lobsters, live crabs and some products from fisher-packers.

The Canadian *Fish Inspection Act* and *Fish Inspection Regulations*

Fish and seafood products exported from Canada must comply with the requirements and standards set out in the Canadian *Fish Inspection Act* and *Fish Inspection Regulations*.

Fish products originating in or having been further processed in Canada are eligible for export if:

1. the fish was processed in a registered establishment that holds a valid certificate of registration issued as specified in the Fish Inspection Regulations; or
2. the exporter of the fish has been issued a Fish Export License as specified in the Fish Inspection Regulations

The CFIA provides these resources to help businesses navigate the *Fish Inspection Act* and the *Fish Inspection Regulations*:

- Certification of Fish and Seafood products – Provides an overview of the process for a Canadian fish and seafood business to obtain an Exporting Certificate.
- Fish Export policy – Defines the intent and objective of the *Fish Inspection Act* and the *Fish Inspection Regulations*.
- Fish Export Directive – Sets out the Canadian regulatory requirements for exporting fish and seafood products from Canada for commercial purposes and human consumption.
- Fish Export Licence Directive – Outlines the requirements of a fish export licence.

Establishment listing

Under the *Fish Inspection Regulations*, CFIA-registered establishments are where fish are processed or stored for export. Examples include freezer-factory vessels, barges, onshore plants, or buildings.

Only facilities appearing on a list of approved establishments for export to the EU are authorized to export fish and seafood to the EU. The EU maintains active lists by product category of third-country establishments, including cold storage warehouses that are eligible to export to the EU. These lists are maintained by the EU's official Directorate-General for Health and Food Safety (SANTE).

Canadian companies wanting to export fish and seafood products to the EU must have their establishments inspected by the CFIA. They will then issue a recommendation to the EU to list Canadian establishment. Once listed, establishments may begin exporting to the EU.

More information:

- [Canadian Establishments Approved for Export to the European Union \(EU\)](#)
- [Third Country Establishments List - Frequently Asked Questions](#)

The Export Certification Control Program (ECCP)

In order to ensure Canadian exporters comply with existing regulations, the CFIA has put together a mandatory [Export Certification Control Program \(ECCP\)](#) for registered Canadian exporters.

The ECCP is a reference standard that outlines the requirements for the documentation to ensure fish products for export comply with the Fish Inspection Regulations and with additional foreign requirements which may apply. This is required to be incorporated into the establishment's existing [Quality Management Program \(QMP\)](#). A QMP is a fish inspection and control management system that includes procedures, inspections and records to verify and document fish processing and the safety and quality of fish processed in, exported from, or imported into Canada.

Health certificates

Shipments of fish and seafood products to the EU must also be accompanied by a signed health certificate issued by the CFIA. A certificate is a paper or electronic document that describes and attests to attributes of your shipment. The requirements of obtaining a Health certificate for exports to the EU are based on EU requirements and can be found at [Fish and Seafood Certification Requirements - EU](#).

It is important to be aware that Member States may adopt additional country specific requirements, such as for quality and labelling, that are not addressed by EU legislation. Exporters should confirm product requirements before commencing full scale production for export.

Illegal, Unreported or Unregulated (IUU) fishing and the Catch Certification Program Fisheries and Oceans Canada identifies [Illegal, Unreported or Unregulated \(IUU\) fishing](#) as a threat to marine ecosystems, economic security and to the management of sustainable fisheries worldwide. They estimate that IUU fishing accounts for about 30 % of all fishing activity worldwide.

Product traceability has also become a growing concern for countries worldwide who have the responsibility to assure consumers that their seafood, whether domestically produced or imported, has been legally and sustainably harvested.

The EU is concerned about the welfare and sustainability of the world's oceans and have taken steps to help combat IUU fishing. The EU regulation to prevent, deter and eliminate IUU entered into force on January 1st, 2010 and are based on the [European Council Regulation No. 1005/2008 on establishing a Community system to prevent, deter and eliminate IUU and](#)

European Commission Regulation No. 1010/2009 laying down detailed rules for the implementation of Council Regulation No. 1005/2008 on IUU.

Fisheries and Oceans Canada's created and administers the Catch Certification Program in response to this EU regulation. This program requires that fish exports to the EU are accompanied by a catch certificate issued in the country of origin.

More information on the EU rules to combat illegal, unreported and unregulated fishing.

Additional information from the CFIA:

- Fish and seafood exports
- Food exports
- Safe food for Canadians regulations

4. Importing fish and seafood products into the EU

This information is aimed at helping Canadian businesses understand all the requirements involved in importing products to the EU. The requirements apply for all imports of fish & seafood products including samples. For example, the documentation required for importing a container load of seafood products by maritime transport will be the same as the requirements to ship a carton of product samples by air.

While CETA is a major opportunity for fish and seafood exporters to the EU, it does not mean that products can flow without the proper paperwork. Exporters must ensure that their products satisfy EU regulations. The EU's import rules are harmonized, meaning the same rules apply to all EU members. As the requirements are uniform for all Member States of the EU, state authorities cannot legally ask for additional information beyond those set out by the EU.

Within the CETA agreement, the EU recognized Canada as having equivalence for fishery products and live bivalve molluscs.

The essential requirements are separated into categories so that exporters can clearly identify the steps to follow and considerations to be made in order to export seamlessly into the EU.

Fish and seafood regulations within the EU

Fishing and the fish and seafood market are carefully regulated in the EU. There are several important pieces of legislation that cover these activities:

- The [Common Fisheries Policy](#) (CFP) is a set of rules for managing European fishing fleets and for conserving fish stocks. The CFP aims to ensure that fishing and aquaculture are environmentally, economically and socially sustainable.
- The [Common Market Organisation](#) of the CFP includes rules and regulations about how certain fisheries products can be placed on the market. Critical among these are the mandatory labelling requirements which are covered later in this guide.
- The [EU law on food information to consumers](#), which impacts food labelling, has been obligatory as of December 13, 2016 with [EU Regulation No. 1169/2011 on the provision of food information to consumers](#).

Inspection, enforcement, and the Rapid Alert System for Food and Feed (RASFF)

How does the RASFF work?

Created in 1979, the RASFF works to prevent food safety risks that could be harmful to European consumers. A round-the-clock service is provided to ensure that urgent notifications are sent, received and responded to.

When products pass through Border Inspection Posts (BIP), they are randomly checked for compliance on food safety as well as ensuring there is nothing fraudulent with the shipment. Products may receive a document, identity or physical check.

The European Commission provides detailed information on the [RASFF system for food and feed safety alerts](#).

What happens if the BIP deems there to be an issue with my product?

If there is an issue with your product there is a risk that it can be rejected at the border. Issues can be related to a variety of factors including biological or chemical contamination and physical problems such as cold chain issues.

If your product is rejected, there are three options:

- it is sent back to Canada
- it is destroyed
- it is to be used for purposes other than food or feed after undergoing a physical or chemical treatment

How are RASFF members notified of a rejection?

If there is a rejection, such as when a RASFF member country has information about a series food health risk, the RASFF will be used to notify other border posts and members of the RASFF network.

RASFF members include:

- The EU-28 national food safety authorities
- The European Commission
- The European Food Safety Authority
- The European Free Trade Association Surveillance Authority
- Other participating countries such as Norway, Liechtenstein, Iceland and Switzerland

Members are immediately informed in order to take appropriate actions. This can include withdrawing or recalling a product from the market to protect consumers' health or rejecting a shipment to prevent that product from entering the EU food chain.

What are the consequences of a RASFF notification?

There are different types of offences under RASFF. The consequence to the exporter for having a RASFF alert on their shipment varies by type of offence and member state.

An example of consequence can imply 100 percent testing on their next 10 shipments into the EU regardless of port of entry.

Transhipment of fish and seafood products from Canada to the EU via a third country

Transhipment occurs when a shipment of goods from Canada passes through another third country before being exported to the EU.

To help illustrate transhipment, in this section will use the following example:

- Canada is the country of origin of the seafood products.
- The EU is the destination for the Canadian products.
- The United States is the non-EU third country for the transhipment.

Transhipment under CETA

Transhipment can cause issues for products that would normally qualify for tariff relief under CETA. In order for products to retain their preferential treatment under CETA, the Canadian products may transit through the United States during shipping to the EU, but they must remain within customs control.

They cannot be imported into the United States to be combined with other products or to undergo further processing. This type of transformation will cause the product to lose its preferential status under CETA.

High Certificate requirements for transhipments

Transhipment can cause issues with the health certificates for products that enter the third country before being exported to the EU.

Consignments, or a quantity of fish or seafood from Canada destined for import into the EU, must be accompanied by health certificates issued by the competent authority of the third country of dispatch. That is generally the last third country from whose territory the consignment is dispatched to the EU.

Let us apply this to our example:

There is no need for certification:	There is a need for certification:
<p>When a consignment of fishery products from Canada arrive in the United States, but stay in their sealed transport container so that their sanitary status does not change.</p> <p>In such cases normally a non-manipulation certificate is issued instead to ensure that the transport container has not been opened and that no handling of the products has taken place.</p> <p>CETA does not change these provisions.</p>	<p>When a consignment of fishery products from Canada arrive in the United States, but are opened, manipulated or altered (in the United States).</p> <p>In that case the United States, being the last non-EU country of dispatch, would need to issue a health certificate.</p> <p>Note that this consignment may also lose preferential tariff treatment under CETA.</p>

Catch Certificate requirements in transhipments

If a Canadian company is exporting their products to the EU via a third country, they need to provide a [Canadian Catch Certificate](#) to the third country exporter.

It is the responsibility of the final exporter to obtain the required documentation prior to sending any consignments to the EU.

Tip: Be sure to visit the CFIA's [Fish and Seafood Exports](#) content or contact your local CFIA office for details on these circumstances and the potential impact on your business before exporting.

Coping with logistics and customs

Delivering goods to a foreign buyer is much more complicated than delivering them domestically. Even if you don't manage the process yourself, you should know how it works so you can build the appropriate expenses into your final quote to the customer. Refer to [EDC – Discover New Markets](#) guide for more information on customs and logistics requirements.

5. EU labelling and packaging requirements

Labelling requirements under the EU Commons Fisheries Policy (CFP)

Fish and seafood presented for sale in the EU must inform the consumer on the content of the final product. Labelling requirements differ depending on the mode of packaging or presentation of product, such as whether it is prepacked or not for retail sale.

The [Common Market Organisation](#) of the EU [Common Fisheries Policy](#) came into effect in December 2014. Chapter 4 article 35 of the [EU Regulation No. 1379/2013 on the common organization of the markets in fishery and aquaculture products](#) indicates that labels must provide precise information on fishing gear, production methods, catch area and more. It applies to products with Harmonized Standard Codes (HS Codes) 0301-0307 and 1212-2000 (not chapter 16); and which are offered for sale to final consumer or to a mass caterer.

For in depth information on EU fish and seafood labelling, visit:

- [Consumer Information - European Commission Common Fisheries Policy](#)
- [The CFP pocket guide for the EU's new fish and aquaculture consumer labels](#)

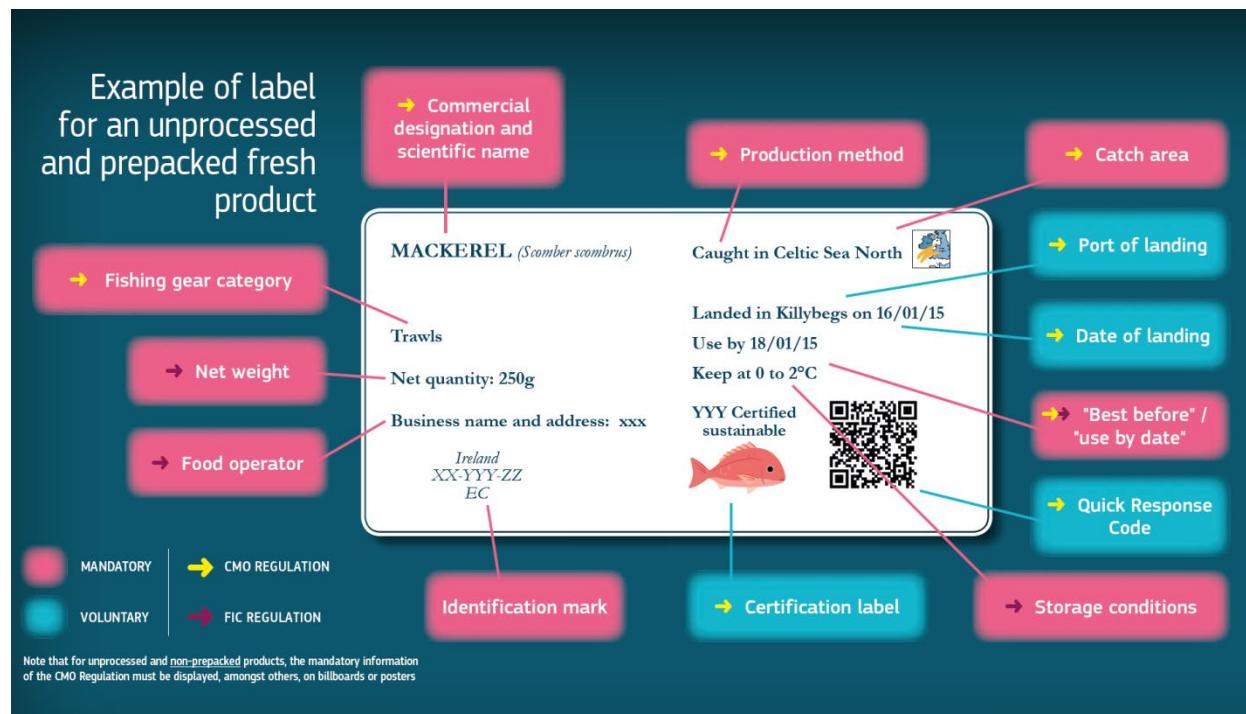
Some of the mandatory parts of an EU food label:

- The commercial designation of the species and its scientific name.
- The production method in particular by the following words "caught" or "caught in freshwater" or "farmed".
 - Fish caught at sea = FAO area, in writing
 - Freshwater fish = name of body of water + country where it was fished
 - Farmed fish = country of production
- The area where the product was caught or farmed and the category of fishing gear.
 - Dredges
 - Gillnets and similar nets
 - Hooks and lines
 - Pots and traps
 - Seines

- Surrounding nets and lift nets
- Trawls
- The date of minimum durability, where appropriate.
- Whether the product has been defrosted. Note that this does not apply to:
 - Fish and aquaculture products frozen for health safety reasons
 - Foods for which freezing is a technologically required step in the production process
 - Ingredients in the final product
 - Products which have been defrosted for the purpose of smoking, salting, cooking, pickling, drying or a combination of these processes

Example of an EU label for an unprocessed and prepackaged fresh product:

- Common Organization of Agricultural Markets (CMO) Regulations
- Food Information to Consumers (FIC) Regulations



Source: [EU Pocket Guide to the EU's new fish and aquaculture consumer labels](#)

Food labelling for EU Consumers

The [EU law on food information to consumers](#), which impacts food labelling, has been obligatory as of December 13, 2016 with [EU Regulation No. 1169/2011 on the provision of food information to consumers](#).

Under the new regulation, labels must include information about nutrition, list all potential allergens (such as shellfish) and meet new standards for legibility. It applies to all foods marketed in the EU and specifies the information that must appear on the products at the time of sale to the final consumer. It includes:

- “Allergens”, see below for more information
- alcoholic strength by volume for beverages containing more than 1,2 % by volume of alcohol
- any special storage conditions and/or conditions of use
- country of origin or place of provenance
- date of freezing for frozen meat, frozen meat preparations and frozen unprocessed fisheries products
- date of minimum durability or "use by" date
- instructions for use where it would be difficult to make appropriate use of the food in the absence of such instructions
- list of ingredients
- name of the food
- name or business name and address of the food business operator
- net quantity of the food
- nutrition declaration
- quantity of certain ingredients or categories of ingredients

Allergens

On 13 July 2017, the European Commission adopted a [Notice on the provision of information on substances or products causing allergies or intolerances](#) and identified 14 substances as causing allergens. Exporters should know that fish, crustaceans and molluscs are included.

On labels, allergens must be indicated in the list of ingredients with a clear reference to the name of the substance or product. They must also be clearly distinguishable from the rest of

the list of ingredients. This can be done by using a different font, style (bold, italics) or background colour.

Note that this labelling is not required in cases where the name of the food clearly refers to the substance. Examples include: popsicle pack lobster, or retail packages of frozen shrimp or scallops.

Labelling and languages

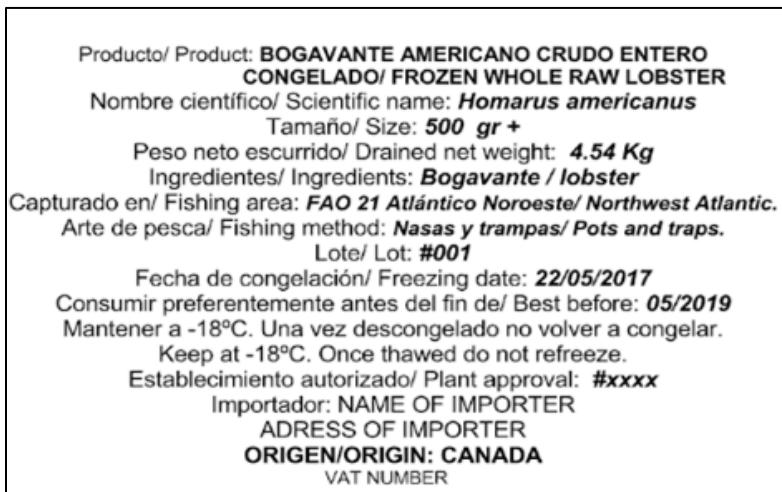
Labels must be visible, legible and written in the official languages of the EU member states where the product is marketed. Multi-language labelling of foreign terms are permitted, if they are easily understood by consumers.

Examples of EU multilingual fish and seafood labels

French and English food label for smoked herring:



English and Spanish label for frozen whole raw lobster:



Label your cartons correctly!

This is a selection of the requirements for frozen fisheries products.

Cartons labels must carry:

- batch number and the date of minimum durability + keep frozen
- establishment number, in the form XXXX Canada
- freezing date
- importer's name
- product name

- weight (metric)

Product labels for bags (industrial products) must carry:

- batch number and date of minimum durability
- establishment number, in the form XXXX Canada
- product name

Packaging requirements and Food Contact Materials (FCMs)

Food comes into contact with many materials and articles during the various stages before its consumption. Such materials and articles are called Food Contact Materials (FCMs).

If you export fish & seafood to the EU, you have to make sure that the packaging complies with the EU requirements for food contact materials.

What are food contact materials?

Food contact materials are either:

- intended to be brought into contact with food,
- are already in contact with food,
- or can reasonably be brought into contact with food or transfer their constituents to the food under normal or foreseeable use.



This term includes direct or indirect contact. The term does not cover fixed public or private water supply equipment.

Examples include:

- containers for transporting food
- kitchenware and tableware
- machinery to process food
- packaging materials

FCMs should be sufficiently inert so that their constituents neither adversely affect consumer health nor influence the quality of the food. To ensure the safety of FCMs, and to facilitate the free movement of goods, EU law provides for binding rules that business operators must comply with.

What are the EU rules and regulations around food contact materials?

The EU Rules on food contact materials can be of general scope, i.e. apply to all FCMs or apply to specific materials only. EU law may be complemented with Member States national legislation if specific EU rules do not exist.

[European Commission \(EC\) Regulation No. 1935/2004 on materials and articles intended to come into contact with food](#) requires that materials and articles intended to come into contact with foodstuffs (e.g. packaging materials, cutlery, dishes, etc.) must be safe. This regulation establishes a list of materials and articles (such as plastics, ceramics, glass, etc.) which may be covered by specific measures. The list includes authorized substances, purity standards, special conditions of use, provisions for ensuring traceability, rules for the authorization of substances, etc.

Materials and articles must be manufactured in line with [EC Regulation No. 2023/2006 on good manufacturing practices for materials and articles intended to come into contact with food](#) and must not transfer their constituents to the food in quantities that could endanger human health, change the composition of the food or change the odour or taste of the food.

The safety of FCMs is evaluated by the [European Food Safety Authority \(EFSA\)](#), who provide additional information on food contact materials.

What are food contact labels?

Unless it is obvious that an article is for food contact, the labels of materials and articles that come in contact with food must include the text “for food contact” or the wine glass and fork symbol below.

This symbol identifies that the material used in the product is safe for food contact:



Commercial designation of species by EU member state

All fish sold to consumers in the EU is required to be labelled with both the Latin name and the commercial name in the Member State(s) where it will be sold. These requirements apply to all unprocessed and some processed products. These products can be ‘prepacked’ or ‘non-prepacked’.

To ensure consistency, each EU member draws up and publishes a list of the commercial designations accepted in its territory, including accepted local or regional names in the official language of the country. The list of [European Commission commercial designations of fish and seafood by member](#) provides access to detailed information.

It is important for exporters to verify that the species they are selling are on the list in order to ensure that the product is properly labelled. If the species you sell is not on the list of the country you wish to sell in, be sure to [contact a local Canadian Trade Commissioner](#) for assistance.

Example of a Spanish fish and seafood label identifying the commercial designation:



Voluntary labelling – It's a real trend!

European consumers are becoming increasingly interested in the origin and species of the fish products they are consuming, which influences their buying decisions. As a result, organic, fair-trade, sustainable fishing and animal welfare have been gaining consideration in the decision-making process, especially among Northern European consumers.

Packaged food continues to benefit from strengthened consumer confidence in spending, as consumers displayed a willingness to pay higher prices for food products they perceived to be better for their health. Many European consumers are fairly health-conscious, and spend considerable time identifying the components of a wholesome, nutritious diet.

Concerns about additives in packaged food and pesticides in fresh food are widespread, providing plenty of ground for organic products to shine as a more natural, less modified alternative. Demand for organic food is further driven by growing concern for the environment and the negative effects of mass industrial animal farming and aquaculture.

As an example, the volume of sales of organic fish and seafood has increased from 5% of total fish and seafood purchases to 10% in only five years. This trend is expected to continue due to popular demand.

Fish and seafood sustainability

Most retailers have adopted sustainability programs that are shaping fish-sourcing policies along the supply chain. For example, the Marine Stewardship Council (MSC) certification has become an unofficial "must-have" for fish products looking to be stocked by retailers.

Example of a Marine Stewardship Council (MSC) certification label:



Source: [Marine Stewardship Council – MSC label user guide](#).

Germany now offers the widest range of Marine Stewardship Council Certified (MSC-certified) fresh and processed fish products, ahead of the Netherlands and the United Kingdom. The demand for MSC-certified fish and seafood products is now extending to France and Nordic countries. High growth rates for MSC-certified fish are due to consumers being strongly aware of sustainability and looking for high quality fish with [EU ecolabels](#).

Source: [Euromonitor International, 2015](#)

Some of the voluntary labelling trends in the EU include:

Buy Local: European consumers are developing an increasing appetite for locally produced food and beverages. For example, according to Mintel, 75% of German consumers prefer "regional products" if they have the choice, most already buy such products on a regular basis, and 70% claim that they are even prepared to pay a premium for them. This is even more true when we talk about fish and seafood and especially in the Mediterranean countries (Spain, Portugal, Italy, France and Greece).

Sustainability: According to the Mintel survey "buy Local", sustainable certified fish has been rapidly gaining market share in Germany, driven mainly by ambitious retailer initiatives. Germany's leading retailer EDEKA, for example, collaborated with the World Wildlife Fund for nature (WWF) to achieve a rate of 100 percent sustainable certified fish by 2015.

GMO Free: In an attempt to create greater transparency for consumers, several European countries introduced a new "non-GM" label on foods that have not been genetically-modified. This was done in response to demands from consumers of conventional food who are also increasingly interested in GM-free food. This includes animal products that have been produced with GM-free feed. As more EU member states establish non-GMO labelling for meat, dairy, and egg products, an initiative to harmonize the labels may lead to an EU-wide labelling standard.

Fairtrade: The European market for Fairtrade-labelled products has been growing fast. Fairtrade labelled products can now be found in almost all supermarkets as well as in an increasing number of bakeries, cafés and canteens and it tends to expand to other products like fish and seafood.

Examples of voluntary labelling:

Example of a Spanish frozen fish product with voluntary sustainable fishing certification and Omega-3 label.



Examples of European non-GMO logos. From left to right: Austria, Luxembourg (top centre), Germany (lower left), Slovenia, and France (upper right).



Source: "Non-GMO food labelling programs increasing in Europe" The Organic & non-GMO report, June 2017

6. Considerations for accessing the EU fish and seafood market

Customs duties and tariffs

What are customs duties?

Most customs duties are expressed as a percentage of the import price (*ad valorem duty*). Some products, are subject to a specific duty—a fixed amount per physical unit (e.g. kilogram, litre, percentage of alcohol content, etc.), or a mixed duty—a combination of ad valorem and specific duties.

Duty is paid on the declared customs value which includes the purchase price, shipping and related insurance costs.

Related information by the European Commission on the [calculation of customs duties in the EU](#).

Resources to help you determine the duties and tariffs on your products

[European Union Customs Tariff database \(TARIC\)](#)

A multilingual database that lists the EU duty for any product. It is regularly updated and was revised again when the Canada-EU CETA agreement entered into force.

How to use the TARIC website:

1. From the main screen, enter the product code and the country of origin
2. Click on “retrieve measures”
3. You will get the customs duty as well as any EU measures (such as tariff quotas or licences) that apply to the product when coming from the stated country of origin (different regions may generate different customs duties).

[Canada Tariff Finder](#)

A free tool that allows Canadian exporters to check the tariffs applicable to a specific good in a foreign market. The focus is on countries where Canada has a Free Trade Agreement in place.

[European Commission Trade Helpdesk](#)

An interactive tool to determine which import rules, taxes and other requirements apply for your EU exports.

Animal welfare

The EU has developed regulations and guidance on the treatment of animals before slaughter. While this has not yet extended to fish and seafood, the trend is there. Some non-governmental organizations (NGOs) and high profile celebrities have taken up the animal welfare cause and can have a strong influence on consumer demand and opinion, especially in countries like Germany, Austria and Switzerland.

The increased pressure by NGOs on certain products like live lobster have resulted in actions at the retail level or in regulations at the Member State or regional level to safeguard the welfare of fish and seafood products. For example, Italy and Switzerland have developed regulations around the storage and cooking of lobster in restaurants or other food service establishments. Communication and dialogue amongst all stakeholders on this issue will continue to be of importance in the coming years.

The Global Food Safety Initiative (GFSI)

The [Global Food Safety Initiative \(GFSI\)](#) brings together key actors of the food industry to collaboratively drive continuous improvement in food safety management systems around the world.

The following standards are either approved or recognized by the GFSI, and are therefore acknowledged in the EU:

- [BAP \(Best Aquaculture Practices\)](#)
- [BCR Global Standard Food Safety \(British Retail Consortium\)](#)
- [FSSC 22000 \(Food Safety System Certification\)](#)
- [Global GAP \(Good Agricultural Practice\)](#)
- [IFS Food \(International Featured Standard\)](#)
- [SQF \(Safe Quality Food\)](#)

Maximum Residue Limits (MRLs) for certain contaminants

Metals such as arsenic, cadmium, lead and mercury are naturally occurring chemical compounds which can be present at various levels in the environment – such as in the soil, water or atmosphere. As such, trace amounts of these metals can be found as residues in food.

The EU is very concerned that the amounts of residues found in food must be safe for consumers and must be as low as possible. To that end, the European Commission has established MRLs for heavy metals and other chemicals in all food and animal feed. To set, amend or remove an MRL they request the opinion of the European Food Safety Authority.

MRLs are listed in these European Commission regulations:

- July 2008 - [No. 629/2008 amendment on setting maximum levels for certain contaminants in foodstuffs](#)
- December 2006 - [No. 1881/2006 on setting maximum levels for certain contaminants in foodstuffs](#)

Spotlight on Cadmium

One of the MRLs that has implications for Canadian fish and seafood exports is on cadmium.

In the EU the MRL for cadmium is set at 1ppm. This can pose a challenge for species like oysters from certain parts of Canada.

Invasive Alien Species (IAS)

Invasive Alien Species (IAS) are animals and plants that are introduced accidentally or deliberately into a natural environment where they are not normally found, with serious negative consequences for their new environment. They represent a major threat to native plants and animals in Europe, causing damage worth billions of Euros to the European economy every year.

Combatting IAS is Target 5 of the EU's 2020 Biodiversity Strategy. To address IAS, the European Commission Regulation No. 1143/2014 on the prevention and management of the introduction and spread of invasive alien species entered into force on January 1st, 2015. More information can be found at the European Commission Invasive Alien Species web portal.

Three distinct types of measures to combat IAS are envisaged, which follow an internationally agreed hierarchical approach to combating IAS:

- **Prevention:** a number of robust measures aimed at preventing IAS of Union concern from entering the EU, either intentionally or unintentionally.
- **Early detection and rapid eradication:** Member States must put in place a surveillance system to detect the presence of IAS of Union concern as early as possible and take rapid eradication measures to prevent them from establishing.
- **Management:** some IAS of Union concern are already well-established in certain Member States and concerted management action is needed so that they do not spread any further and to minimize the harm they cause.

Canada's Embassies throughout Europe as well as the Mission of Canada to the EU work hard to keep the doors of trade open, but market access issues are always of concern for exporters - especially those aimed at blocking trade completely. For example, in 2016 Sweden petitioned the EU to have *Homarus Americanus* listed as an invasive species which would have resulted in a ban on importations of live lobster in the EU. Ultimately Canada and the US were successful in getting the petition defeated and the trade in live lobster to the EU continues.

The Value-Added Tax (VAT)

The Value Added Tax, in the EU is a general, broadly-based consumption tax assessed on the value added to goods and services. It applies more or less to all goods and services that are bought and sold for use or consumption in the EU. Imports are taxed to keep the system fair for EU producers so that they can compete on equal terms on the European market with suppliers situated outside the Union.

Goods imported into the EU are subject to import VAT at their point of entry into EU. When the goods are imported into one EU country but are intended for use in another EU country, they are eligible for a VAT suspensive arrangement. Under this arrangement, the VAT will be charged in the destination country rather than at point of entry.



Import VAT is paid by the importer at the rate that applies in the importing country. Each EU country fixes VAT rates within the following limits: standard rates may not be less than 15 percent, and reduced rates may not be less than 5 percent.

More resources on the VAT

There are several options open to companies doing frequent or regular business in the EU.

- [VAT – European Commission Taxation and Customs Union website](#)
- [Section 2.3 VAT of “Exporting to the EU – A Guide for Canadian Business”](#)
- [Find a Canadian Trade Commissioner who can help you streamline and structure your tax and legal obligations in the EU.](#)

7. Best business practices – A few tips for successful international trade!

Always sign a written sales agreement

A verbal agreement is very difficult to prove in the case of a dispute. Opt for a legal binding written contract to protect your business transaction. When in doubt, hire a professional familiar with international trade to prepare a standard contract for you.

Do not underestimate the importance of understanding cultural differences in international business development

Cultural differences can often easily be overlooked, especially when dealing with other “western” countries. To avoid any embarrassing mishaps which can cost you sales, invest time in researching information about the business practices specific to each country. Keep it simple. Concentrate on one country at a time and focus on developing long-term customer relations.

As you interact with your foreign partners or customers, be patient and invest the time to develop trust. Communicate frequently—using email, videoconferencing and in-person visits—to ensure that you and your overseas partners are on the same page.

Decide on a distribution method

If you want to wholesale to other businesses overseas, the easiest approach is to find a sales representative, agent or distributor in your chosen country. Ideally, take the time to find someone who is familiar with your market and has plenty of contacts.

Beware of fraudulent companies

Using your contacts to perform a business “Check-Up” on companies you want to do business with can be a good idea when developing new markets. It can also save you the hassle of dealing with a company that may have bad credit or a bad reputation. Sometimes, you can find out about a company’s reputation by word of mouth but, it is safer to perform thorough credit verification by a recognized authority.

Protect your company from non-payment risk

Find a bank which best suits your needs in managing international commercial transactions. Negotiate your payment terms by using International Chamber of Commerce Incoterms® rules and state them clearly on your commercial invoice and export documents.

For example, asking for a down-payment can be an efficient way to lessen the non-payment risk and help develop a relationship based on confidence with a new customer.

Letters of Credit

A letter of credit is considered one of the safest ways to guarantee your payment. It is a written commitment to pay, by a buyer's or importer's bank (called the issuing bank) to the seller's or exporter's bank (called the accepting bank, negotiating bank, or paying bank). A letter of credit guarantees payment of a specified sum in a specified currency, provided the seller meets precisely-defined conditions and submits the prescribed documents within a fixed timeframe.

Market research – Do your homework!

Market research is critical to finding the best global market for your business as well as the best product(s) for that market. Be sure to also research current legal, financial and logistical issues involved in selling to those countries.

Price your products right

Your products will be competing with lower-priced items made in the foreign country. Be sure to take tariffs, duties, shipping and other additional costs into account when setting your prices. You'll need to strike a balance between prices appealing enough that prospects will pay them and prices high enough for you to make a profit.

8. Resources for Canadian fish and seafood exporters

Find programs, services, trade shows and information that can help Canadian fish and seafood exporters reach international opportunities.

Programs and services

Find support for Canadian fish and seafood companies looking to export their products, financing their market development efforts and underwriting some of the risk associated with exporting.

Market access services

AAFC's Market Access Secretariat (MAS) is your single window for market access and market development inquiries. If you have questions about the EU market, CETA or exporting your Canadian fish and seafood products, contact MAS at mas-sam@agr.gc.ca.



AgriMarketing Program: Small and Medium-sized Enterprise (SME) Component

Funding for small and medium-sized enterprises to help implement international export plans, which include promotional and market development activities. Agriculture and Agri-Food Canada (AAFC) manages this program.

Atlantic Fisheries Fund

A funding program that aims to invest more than \$400 million over seven years to help Atlantic Canada's fish and seafood sector respond to growing market demand for high-quality, value-added and/or sustainably-sourced products. Fisheries and Oceans Canada manages this program and it is funded jointly by the federal government and participating Atlantic provinces.

Canada Brand

A suite of marketing materials that is designed to give eligible Canadian food and agriculture industry producers, processors, promoters and exporters a competitive advantage when marketing products in Canada and abroad. It includes graphics, a photo library and messaging on the advantages of Canadian products which can help differentiate your Canadian food products from the competition.

The Canadian Trade Commissioner Service

Canada's network of in-market Trade Commissioners can help you navigate EU fish and seafood markets and expand your business. Find a comprehensive knowledge center of export resources, contacts and more.

Export Development Canada (EDC)

Canada's export credit agency that supports Canadian companies respond to international business opportunities. [EDC's About Exporting page](#) leads to a wealth of export-oriented resources and information, including these guides:

- [Discover new markets](#)
- [Diversifying into Foreign Markets: A Guide to Entry Strategies](#)
- [Introduction to Exporting: How to Sell to International Markets](#)

Trade shows

Trade shows give your business the opportunity to promote your products and services while interacting with new and established contacts in the world's most dynamic markets.

Spotlight on Seafood expo global (seg)

[Seafood Expo Global \(SEG\)](#) is the largest seafood trade event in the world and is one of AAFC's flagship international trade events.

No other event provides seafood professionals with direct access to qualified buyers and suppliers from all over the globe representing all aspects of the seafood industry.

Every year, AAFC coordinates a Canada Pavilion which helps approximately 40 companies, provinces and others to participate in SEG and to present the wide variety of Canadian fish and seafood offerings from coast to coast.

Canadian Trade Commissioners in the EU are typically on-site and support:

- In setting up business to business (B2B) meetings between Canadian exhibitors and international buyers.
- By hosting informational events for the Canadian industry to about the EU market, developments in market access issues, and consumer trends.

SEG 2017 attracted more than 28,500 buyers and suppliers from around the world with visitors from 150 countries. There were 73 national and regional pavilions with 1,859 exhibiting companies from 79 countries showcased. Source: Seafood Expo Global June 7, 2017 news release - [Record Attendance at Seafood Expo Global/Seafood Processing Global](#).

For information on the next show and registration, please contact:
mas-sam@agr.gc.ca

Flagship Canada Pavilion trade events in Europe

As part of the [Canada Pavilion Program](#), AAFC participates in several flagship shows abroad, including [ANUGA](#) in Cologne, Germany and [SIAL Paris](#).

The Canada Pavilion Program offers funding to Canadian companies which is used to offset the direct cost of exhibiting (booth prices).



Other EU trade shows that focus on fish and seafood

- [Conxemar](#) (Vigo, Spain)
- [Riga Food](#) (Riga, Latvia)
- [Fish International](#) (Bremen, Germany)

Canadian companies can request financial assistance to participate in a non-flagship trade show through AAFC's [Agri-Marketing Program: SME Component](#).

Information for business

[Agriculture and food market intelligence - Europe](#)

Find opportunities in Europe and learn about market trends in your market or sector of interest.

[CETA for agri-food exporters](#)

Find out what CETA is and how it can benefit your agri-food exports to the EU.

[Exporting your agri-food to the EU](#)

Find information on EU import requirements, CETA rules of origin and EU food labelling regulation.

[Seafood Value Chain Roundtable](#)

Learn about collaboration between industry and government. Aiming to maintain a competitive edge and foster growth within the sector, it brings together leaders from across the seafood industry - including retail, food service, processing, harvesting, trade associations and more.

Trade Data Online

Generate customized statistical reports using data on the international trade of goods. Data is updated on a monthly basis and is obtained from Statistics Canada and the US Census Bureau.

National fish and seafood industry associations

Canadian Aquaculture Industry Alliance

The national association that speaks for Canada's seafood farmers - fish, molluscs, crustacean and aquatic plants; representing their interests in Ottawa to regulators, policy makers and political leaders.

Fisheries Council of Canada

A non-profit private sector trade association representing associations, groups and firms that harvest, process, handle, distribute, and market fish and seafood. They represent member companies across the nation who process the majority of Canada's fish and seafood.