

AAFC – Industry-Government COVID-19 monitoring call

December 9, 2020
Noon – 1:00 PM EST

There were approximately 161 participants on the call (76 bilingual, 79 English and 6 French).

Introductory remarks (Frédéric Seppey)

- AAFC noted that the December 4th weekly email update contained information on the following topics:
 - The expansion of the Canada Emergency Business Account (CEBA);
 - A reminder that the survey of employers of temporary foreign workers in the agricultural sector closed Dec 9th; and
 - The extension of the Mandatory Isolation Order and temporary travel restrictions
- In addition, on December 9th AAFC sent out material outlining Canada's COVID 19 Immunization Plan on behalf of the Public Health Agency of Canada (PHAC). AAFC indicated that they are working to have PHAC participate on an upcoming COVID 19 stakeholder conference call.

Summary of government updates:

A. Reinstatement of establishments suspended by China for COVID-19 cases among employees (Dr. Parthiban Muthukumarasamy – CFIA)

- CFIA noted that Canada continues to emphasize that China's trade restrictions related to COVID-19 are not based on science as there is no evidence that COVID 19 is spread through food or food packaging. COVID 19 is a respiratory illness spread from human to humans.
- The *International Commission on Microbiological Specifications for Foods* (ICMSF) has recently stated that it is highly unlikely that COVID 19 poses a food safety risk and that systematic sampling and testing of food products and the environment for the virus is of no added value.
- CFIA indicated that China has attributed some outbreaks of COVID 19 to imported products and continues to test imported cold chain food products for COVID 19 and has ramped up testing in recent weeks. China also requires importers and domestic processors to have enhanced traceability and now requires disinfection of imported cold chain food products.
- At present, a total of 58 meat processing establishments from 16 countries that export to China are suspended; 28 establishments have been relisted while 30 remain suspended. Some of these establishments were relisted after a virtual audit conducted by Chinese authorities.
- Canada has requested relisting of establishments suspended by China. In response, China has recently sent a questionnaire that the CFIA and the suspended establishments must complete before a virtual audit is scheduled by China.
- CFIA is engaging with Canadian Meat Council and Canada Pork International regularly to share information and seek their input on the issue. A call with suspended establishments will be scheduled to provide information on China's expectations regarding the reinstatement package and virtual audit.
- CFIA noted it continues to work with several departments (AAFC/Global Affairs Canada/Fisheries and Oceans Canada and PHAC) to ensure a whole-of-Government approach on the issue.
- CFIA noted that they are also working with like-minded countries to share information and work together to respond to China's restrictions. For example, Canada, along with the UK, U.S., and Australia raised the issue at the November 2020 World Trade Organization SPS committee meeting. China responded that their measures are justified based on positive findings in imported products.

- CFIA noted that Canada will continue to work together with partners and with China to raise the issue at appropriate levels to address them.

B. Canada Emergency Business Account – (Steven Jurgutis – AAFC)

- AAFC noted that, starting on December 4, 2020, eligible businesses facing financial hardship as a result of COVID 19 are able to access a second CEBA loan of up to \$20,000, on top of the initial \$40,000 that was previously available to small businesses – as announced in the Fall Economic Statement. In addition, the application deadline for CEBA has been extended to March 31, 2021
- AAFC noted that half of this additional financing (up to \$10,000) will be forgivable if the loan is repaid by December 31, 2022. This means the additional loan effectively increases CEBA loans from the existing \$40,000 to \$60,000 for eligible businesses, of which a total of \$20,000 will be forgiven if the balance of the loan is repaid on time.
- To apply, eligible businesses and not-for-profits need to contact the financial institution that provided their initial CEBA loan and provide the appropriate information and documentation. Note that the additional \$20,000 CEBA loan may not be available at all participating financial institutions on December 4, 2020 but is expected to be available soon.
- Since its launch, the government has made modifications to CEBA to help even more small businesses, including:
 - increasing the payroll eligibility range to between \$20,000 and \$1.5 million;
 - making CEBA available to owner-operated small businesses that do not have a payroll, sole proprietors receiving business income directly as well as family-owned corporations remunerating in the form of dividends rather than payroll; and
 - making CEBA available to businesses operating from a personal banking account that had previously been unable to apply due to not operating from a business banking account.
- To qualify for CEBA, all applicants must have:
 - An active Canada Revenue Agency business number with an effective date of registration on or prior to March 1, 2020; and either:
 - meet the payroll eligibility criteria; or
 - demonstrate a minimum of \$40,000 in eligible non-deferrable expenses, and have filed a 2018 or 2019 tax return.
- AAFC noted that CEBA is administered by Export Development Canada, which is working closely with Canadian financial institutions to deliver the loans to their existing business banking customers. AAFC noted that they will include the toll-free number for CEBA inquiries in the weekly email update.

Next Call

- Participants were asked to keep AAFC informed through the Roundtable email account of any situation or preoccupation. The account is monitored hourly (aafc.roundtable-table ronde.aac@canada.ca).
- The next stakeholder call will take place on **Wednesday, December 16, 2020 at noon EST.**