

## BACKGROUNDER

### QUALITY CONTROL ON IMPORTS OF U.S. OATS

- \* Under Article 705 of the Canada-United States Free Trade Agreement (FTA), Canadian import permits for wheat, oats, barley and their products from the U.S. are no longer required when U.S. government support levels for each grain are equal to or less than Canadian government support levels.
- \* Canada and the U.S. completed calculations on support level for wheat, oats and barley.
- \* Oats support levels in Canada were deemed to be higher and Canadian import permits requirements were abolished on June 1, 1989.
- \* U.S. oats entering Canada must be accompanied by end-use certificates, seed certificates, or the oats must be denatured.
- \* End-use certificates are issued by the Canadian Grain Commission under the provisions of the Canada Grain Act. These certificates stipulate that a shipment of oats must be used at the processing facility to which it is sent.
- \* Seed certificates are issued by Customs Canada and ensure that oats entering Canada for seed use are inspected by Agriculture Canada and are free of disease. The certificates also stipulate that the oats must be used for seed and do not enter the grain marketing system.
- \* U.S. oats entering Canada for feed must be denatured so that these shipments do not enter the grain marketing system.