Barriers to Small-Lot Seed Exports (Canada→US)

Small Canadian seed firms face steep hurdles exporting even tiny packets of seed. By law, **every seed shipment from Canada requires a CFIA phytosanitary certificate** (under the Plant Protection Act) showing the seed is pest-free and meets U.S. rules [1]. In practice this means scheduling an export inspection with CFIA days in advance, packing and labelling each lot, and paying a fee for each certificate. (Exporters report paying on the order of \$25–\$45 per certificate [2].) Each separate shipment to the U.S. needs its own certificate, even if it's the same seed lot, multiplying costs and delays [3]. CFIA's processes are still largely paper-based and slow – industry representatives note Canada is "an international laggard" on electronic phyto documents [4].

On the **U.S. side**, virtually all seeds "for planting" (including vegetables, flowers, grains, etc.) require an APHIS import permit (Form PPQ-587) *and* a phyto, unless exempted. In theory, very small seed consignments (≤50 packets of ≤50 seeds each, ≤10 g per packet) can enter under APHIS's Small-Lots-of-Seed program without a U.S. phyto [5], but **only if the importer holds a PPQ-587 permit**. Critically, APHIS explicitly requires that *only U.S. residents* may apply for that import permit [6]. A Canadian grower cannot apply for the permit on a buyer's behalf. In practice this forces Canadian sellers to rely on U.S. customers to navigate APHIS rules. A U.S. buyer must go through the eFile system, obtain a PPQ-587, pay fees, and use special green/yellow shipping labels for mail/courier delivery [7] [8]. Any slip – missing labels, incomplete invoice, or lack of permit – can trigger rejections or destruction of the seeds.

These layers of paperwork **hit small-scale and heirloom seed producers much harder than large companies**. A big commercial exporter can amortize certificate fees and even join CFIA's Authorized Exporter Program [9], which lets approved firms sample, tag and test seed lots themselves (a procedure largely unavailable to tiny seed co-ops or gardeners). Small growers often ship dozens of tiny orders per year; under current rules each order needs full certification and potentially separate inspections. The fixed CFIA fees per certificate mean the *per-gram* cost of exporting small lots is enormous. One Ontario seed grower explains: "we usually charge a \$25–\$45 fee to get a phyto" per lot, scaling up if multiple lots or extra steps are needed [2]. In short, the existing Canada–U.S. phytosanitary framework creates **prohibitive time and cost burdens** on micro-exporters, constraining seed diversity and farmer choice.

Comparative & Legal Context

- **CFIA Export Certification (Canada):** Canada's Seeds Act/Plant Protection Act require that seeds be inspected and certified before export to satisfy foreign (U.S.) requirements. CFIA Directive D-99-06 reiterates that export inspections carry fees under the CFIA Fees Notice [1]. Small seed firms have little benefit from Canadian regulations: while Canada exempts "small lots" from its own import requirements, **no similar exemption exists for exports**. All seeds (even one-gram packages) must meet CFIA export rules. Canada does have a voluntary *Authorized Exporter Program* for pedigreed seed [10], but it mainly covers large pedigreed-grain and vegetable seed producers, not organic/heirloom micro-enterprises.

- **USDA-APHIS Import Rules (USA):** The key regulation is 7 CFR §319.37 ("Plants for Planting"). By default, seeds imported to the U.S. need a phytosanitary certificate and, for many crops, a

PPQ-587 import permit [11]. However, APHIS allows *small lots of seed* to enter without the phyto certificate if the importer holds a written permit (PPQ-587) [5]. The U.S. code spells out packaging limits (≤50 seeds or 10 g per packet, ≤50 packets per shipment) [12] and requires shipments be sent to designated USDA inspection stations [13]. Notably, APHIS has a special "Canadian Seed Export Program" (7 CFR 319.37(e)) that permits certain Canadian exporters to ship seeds under a CFIA-USDA agreement [14], but this again requires CFIA-approved seed inspection and paperwork. In any case, even under this program each CFIA-approved exporter must mark shipments with its assigned code and a certification document [15]. *In practice, for most small seed parcels sold online or by mail, the only feasible route is the Small-Lots (PPQ-587) pathway*, but that hinges on U.S. customers as permit-holders [6].

- **Other Countries (EU, Australia):** Approaches vary. For example, **Australia** explicitly facilitates small-lot trade to the U.S.: its biosecurity agency notes that under APHIS's Small Lots program, **"small lots of seed may be exported without [Australia's] phytosanitary certification if the exporter has the correct import permit and has met all the requirements outlined by APHIS"** [16] [17]. In other words, Australian exporters only need to ensure the U.S. importer holds PPQ-587; no extra AU paperwork is needed. The **U.S.** (APHIS) itself treats most Canadian herbaceous seeds as exempt from permit (per its online guidance [11]), but still mandates PPQ-587 for many seeds (with U.S. residency). The **EU**, by contrast, generally exempts exports to third countries from its seed marketing rules [18] (though imports into the EU do require EU-listed certificates from approved NPPOs). Crucially, no major seed-trading partner offers a free pass to tiny exporters: even Australia still requires the U.S. permit, and only a few countries (e.g. **New Zealand**) have no permit requirement at all for very small seed parcels. Compared side-by-side, the Canada–US corridor is unusually burdensome for micro-exporters because **Canada insists on formal phytosanitary export certification for everything**, while U.S. law *refuses to waive its permit fee for foreign (non-resident) sellers*.

Policy Reform Opportunities

CFIA Modernization: The CFIA's ongoing Seed Regulatory Modernization (2020s) offers a chance to streamline export rules. We recommend:

- *"Trusted Exporter" status for small seed firms.* Create a voluntary accreditation (akin to the Authorized Exporter program but tailored to small/organic seed). CFIA could audit a grower's seed cleaning and testing methods once, then allow that firm to self-submit export lots under CFIA oversight. Pre-qualified exporters could use batch certificates or simplified paperwork. (CFIA already evaluates export establishments under 7 CFR 319.37(e) [14]; this could be extended to small-seed growers.)

- *Batch Phytosanitary Certificates or Multi-Shipment Validity.* Allow one certificate to cover multiple parcels shipped within a short period (e.g. 1 month) from the same lot. This reduces repeat inspection costs. Adopting the IPPC ePhyto system (as the U.S. has done for 100+ countries) [4] would facilitate digital batch certification and "electronic signatures," cutting red tape.

- *Digital/Remote Inspections.* Permit CFIA to do virtual inspections for repeat exporters. For example, CFIA could accept recent lab test results and a video inspection of seed, rather than always sending an inspector on-site. This speeds certification for low-risk crops.

- *Fee Structure for Small Shipments.* Adjust CFIA Fees Notice so that very small seed lots (below a weight/volume threshold) pay reduced inspection fees. Currently each inspection is the same flat fee; a sliding scale or flat low rate for "small-lots" could help niche exporters. (NFU urges retaining **"flexibility"** to allow imports of small quantities that boost seed diversity [19]; similar flexibility should apply to exports.)

CUSMA Renegotiation (2026 Review): Canada should push for a **"Small-Seed Trade Annex"** or side-letter in CUSMA, explicitly easing cross-border rules for seed. Possible elements:

- *Reciprocal Recognition for Small Lots.* Agree that seed shipments under a defined size (e.g. ≤500 g or ≤50 packets) can move with minimal oversight. For instance, CFIA and USDA could mutually waive permit or certificate requirements for accredited small lots. Canada could allow shipments under this weight to enter the U.S. under a CFIA-issued export certificate in lieu of a PPQ-587; reciprocally, the U.S. could accept those Canadian certificates without requiring a separate permit or label. (This mirrors the Australian approach [16].)

- *Mutual Accreditation of Exporters.* Establish a bilateral registry: CFIA-approved seed export establishments would be automatically recognized by USDA as "inspected." Participating Canadian exporters would be given an official ID number (as per APHIS 319.37(e) requirements [20]) and allowed to attach a joint CFIA–USDA export document to shipments. This joint certificate would certify compliance with both Canada's Seed Act and U.S. regulations (similar to the APHIS-required "export certification document" for Canadian seeds [21]).

- *Simplified Small-Lot Procedures.* Include language that APHIS *"shall not impose additional burdens on seeds exported in small quantities by non-commercial growers."* For example, USDA could agree that home gardeners and small heirloom breeders can export to friends or research stations without individual permits, much as it now treats up to 12 non-restricted plants (no permit needed) [22]. Embedding such text in CUSMA would give weight to "seed sovereignty" considerations for family-scale operations.

- *Joint Seed Innovation Committee.* Form a permanent Canada–U.S. seed committee (as part of CUSMA) to tackle these issues. This body would include government and seed-sector stakeholders, monitor implementation, and propose technical fixes (e.g. aligning seed standards, approving new ISPMs for seed testing).

Gaia Organics (an organic seed and soil company) argues the U.S.–Canada seed regime must not **"lock out small-scale breeders and seed stewards"** [23]. In trade talks, Canada should stress that seed is "the first link in our food system" and vital for biodiversity [23]. A negotiated seed annex can embody this principle, ensuring **"next-generation farmers…have fair access to genetic diversity"** [24] and protecting public-domain and heirloom seed systems [25]. In this way, small-lot reform aligns with CFIA's stated goals: reducing red tape, supporting innovation, and protecting growers and the environment [26].

Small-Lot Export Pathway (Proposed)

A practical pathway for a small Canadian seed exporter could be:

1. **Pre-Qualification:** Apply to CFIA for a "Small Exporter Trust" certification. CFIA vets your facility and seed-handling procedures (similar to the Authorized Exporter audit [10]) and issues a standing export certificate number.

2. **Consolidate Shipments:** Use a Canada-based consolidation hub or forwarder registered with CFIA. Ship multiple small parcels there; the hub bundles them. (Hub operators could hold a USDA PPQ-587, or coordinate with U.S. importers for labeling.)

3. **Batch Phytosanitary Certificate:** Under an amended CFIA program, obtain one digital CFIA phytosanitary certificate covering all shipments of a given lot during a 30-day window. E.g. certify 1000 packets at once for up to 4 shipments.

4. **Reciprocal Permit/Labeling:** For shipments under the agreed annex (e.g. <500 g), the U.S. importer uses a CFIA-issued export certificate instead of seeking PPQ-587. For slightly larger "small lots," the importer applies for PPQ-587 *once per season* (valid for multiple shipments) using the exporter's CFIA certificate as evidence of compliance.

5. **Electronic Tracking:** Record all shipments in a shared CFIA–USDA trade portal. Each package's contents and certificate/permit numbers are logged. This ensures traceability without physical paperwork on the package.

6. **CFIA Inspection (if needed):** CFIA would perform an annual audit of the exporter instead of inspecting every shipment. If audit is clear, the pre-certification stands for the year, and no on-site checks are needed for each order.

By following this "Small-Lot Seed Pathway," a niche seed company could ship heirloom varieties cross-border with minimal extra paperwork or expense, leveraging trust-based regulation and technology.

Advocacy & Alignment with Seed Sovereignty

In public submissions, small-seed stakeholders should frame these reforms as crucial for **seed sovereignty and biodiversity**. As Gaia Organics notes, if borders remain closed to small seed lots, **"breeders and farmers will suffer delays, higher costs, or lost opportunities"** and diversity could be stifled [24]. Canada's new Seeds Regulations modernization explicitly aims to reduce complexity and support innovation [26]; enabling micro-exports directly serves that goal. Similarly, Canada's environmental commitments and food security policies support preserving heirloom and open-pollinated crops. Reforming the seed export rules would demonstrate that Canada values not just trade competitiveness but the **public interest** in genetic diversity and climate-resilient agriculture.

Current Barriers Summary

Barrier	Effect on Small Exporters
Mandatory CFIA Phytosanitary Certificates	Every seed export – even tiny packets – needs inspection and a phyto document. Fees (≈\$30–\$45 each [2]) and scheduling delays make one-off mailings costly and slow. (Large firms can amortize this; small lots cannot.)
US PPQ-587 Permit Requirement	U.S. buyers must secure an APHIS import permit. Only U.S. residents may apply [6], so Canadian sellers depend on foreign customers. Many small customers won't navigate eFile or pay permit fees, effectively barring shipments.

Barrier	Effect on Small Exporters
Multiple Certificates per Lot	If one seed lot is shipped in several orders, CFIA currently requires a separate certificate for each shipment [3]. This multiplies fees and paperwork for small producers who sell in installments.
Strict US Packaging/ Labeling Rules	APHIS limits small-seed packets to 10 g and 50 seeds per taxon [12] and insists on USDA inspection station delivery and special labels [13] [8]. The complexity deters informal trade and increases courier costs for each small order.
Fixed Fee Structure	CFIA inspection/testing fees are fixed per consignment [1]. For small volumes, the cost per gram is extremely high, squeezing small-margin heritage seed lots.
Opaque/Slow Processes	CFIA's reliance on paper certificates and in-person inspections is outdated [4]. Slow scheduling and little guidance (often "call your local office") create uncertainty and risk of missed sales for niche growers.

Cross-Jurisdictional Snapshot

- **Canada (CFIA):** Phytosanitary certificate *always* required for seed exports [1]. CFIA charges standard inspection fees (no de minimis exemption). CFIA permits private sampling/testing only under the Authorized Exporter program (geared to large seed companies) [10].
- **United States (APHIS):** Import permit (PPQ-587) generally required for seeds, except "most herbaceous seeds" [11]. APHIS's Small Lots program allows tiny shipments (≤50 pkts) to enter without a U.S. phyto if PPQ-587 is held [5]. Notably, **only U.S. residents may hold that permit** [6].
- **European Union:** Exports to non-EU countries are exempt from EU seed marketing rules [18], but imports into the EU require certificates from recognized NPPOs. The EU has no special small-parcel exemptions; phyto or equivalent health certificates are normally required for seeds from non-EU producers.
- **Australia:** Aligns with APHIS rules for U.S. trade. Australian exporters may ship small seed lots to the U.S. without an Australian phyto, provided the U.S. importer has the PPQ-587 permit and APHIS conditions [16] [17]. This effectively makes Australia's requirements identical to the U.S. small-lot program (no additional AU paperwork beyond compliance with APHIS).

Recommended Reforms

- **CFIA:** Introduce a "Trusted Small Exporter" regime with batch certificates and ePhyto capability. Expand the Authorized Exporter concept to include organic/heirloom growers. Adopt digital inspection/fees proportional to consignment size.
- **CUSMA 2026:** Negotiate a **Small Seeds Annex**. Propose reciprocal exemptions (e.g. bidirectional permit waivers for <500 g shipments) and mutual recognition of CFIA/APHIS certifications. Ensure any CUSMA seed committee addresses small-scale, public-domain seed access.
- **Domestic Policy Alignment:** Link seed-export reform to Canada's biodiversity and climate goals. Frame the issues of fair access and genetic diversity (as Gaia Organics does [23] [25]) in consultations.

Stakeholder Submission Template (Draft)

To: CFIA (Plant Health Directorate) and Global Affairs Canada (Trade Policy Branch)
Re: CUSMA Review – Small-Lot Seed Export Barriers (consultation input, deadline Nov 3, 2025)

Dear Sir/Madam,

As a small-scale [seed producer / farm / heritage seed organization], I appreciate CFIA's ongoing seed regulation modernization. However, current Canada–US trade rules impose **disproportionate burdens** on micro-exporters of seed (especially organic and heirloom varieties). We urge the government to address these issues in the upcoming CUSMA review:

- **Facilitate small shipments.** Under present CFIA rules, every tiny seed parcel to the U.S. needs a separate phytosanitary certificate and inspection [1], often costing \$25–\$45 each [2]. If one seed lot is split into multiple orders, each requires its own certificate [3]. This makes small-lot exports economically unviable. We propose allowing a single CFIA certificate to cover multiple parcels from the same lot (e.g. within 30 days), and/or a simple "small-lot" exemption for very small seed quantities. CFIA should also expand its Authorized Exporter program to include community seed farms and organic breeders, so that once audited, they can self-certify seed shipments.

- **Resolve the PPQ-587 issue.** USDA's rule that *only U.S. residents can apply for the import permit* [6] effectively shuts Canadian sellers out of the U.S. market. We request that Canada use the CUSMA forum to secure a waiver or reciprocity. For example, if a Canadian exporter is pre-certified by CFIA, its U.S. customers should be exempt from having to obtain PPQ-587, or vice versa. In practice, Australia's guidance shows how this could work: Australian seed exporters send small packets to the U.S. without additional certificates if the importer holds PPQ-587 [16]. Canada should negotiate similar mutual recognition.

- **Seed Annex with Plant Health Commitments.** We recommend establishing a specific seed-sector annex in CUSMA. This could commit both countries to "treat seed varieties of commercial and non-commercial origin equitably" and to develop **low-risk import channels** for small packets, as suggested by Gaia Organics [27]. An annex could also mandate transparency in phytosanitary data and create a joint Seed Trade Committee, ensuring that issues like heritage seed preservation are addressed in a science-based way [23] [25].

These reforms are urgent. Small seed enterprises contribute to Canada's biodiversity and climate resilience, but under current trade rules they are effectively locked out of cross-border commerce. We ask CFIA and Global Affairs to incorporate small-lot facilitation into Canada's CUSMA proposals and the Seeds Act modernization [27] [19].

Thank you for your consideration. We welcome the opportunity to discuss specific policy language or pilot projects that could expedite small-lot seed exchanges in a safe, science-based manner.

Sincerely,

[Name], [Organization / Farm / Company]
[Contact Information]

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