Agrichemical Warehousing Standard Association
WAREHOUSING STANDARDS BULLETIN

ISSUED: January 1, 2025   **NUMBER: 40**

REVISIONS TO PROTOCOL E14 – INVENTORY MANAGEMENT
COMING INTO FORCE JANUARY 1, 2025

Effective January 1, 2025, Protocol E14 will be amended to include a new requirement E14(b) which calls for establishing a system to manage product rotation and product label changes.

Current Protocol as printed in the 2024 Edition of the Warehousing Audit Protocols & User Guide:

NO.	PROTOCOL: Inventory Management System	Full Compliance Score	Actual Score
E14	A system for maintaining on-site inventory by products and quantities exists. Observations:	20	

E14   Have the manager of the certified warehouse area describe how inventories are managed by product size and quantities. Maintaining inventories by dollar amounts is not acceptable. This information is critical for use in emergency response situations. In situations where sites have multiple certified storage buildings, the inventory list must show what is stored in each building.

Amended Protocol effective January 1, 2025:

NO.	PROTOCOL: Inventory Management System	Full Compliance Score	Actual Score
E14	a) A system for maintaining on-site inventory by products and quantities exists.	20	
	b) A system for managing product rotation and product label changes. Observations:	20	

E14

a) Have the manager of the certified warehouse area describe how inventories are managed by product size and quantities. Maintaining inventories by dollar amounts is not acceptable. This

information is critical for use in emergency response situations. In situations where sites have multiple certified storage buildings, the inventory list must show what is stored in each building.

b) Have the manager of the certified warehouse area describe how inventories are managed to rotate inventory on a regular basis using either a first in first out (FIFO) or lot control method and a process for managing products with manufacturer label changes. Auditor will review written procedures and visually assess inventory for evidence of product rotation.

Reference Bulletin # 40.

Background

Health Canada's Pest Management Regulatory Agency (PMRA) is the federal agency responsible for regulating pesticides in Canada. Pesticides are required to undergo periodic reviews by the PMRA to ensure that they continue to meet current standards for continued use in Canada. Re-evaluations of each registered pesticide are required within 15 years of its initial registration or the most recent major decision affecting the registration. These reviews can result in label changes.

When label changes are required, the value chain, including retailers and distributors, must transition to the new marketplace/package label by the end of the PMRA's label implementation period – typically within 2 years. After the implementation period, products bearing the outdated label are not permitted to be sold in Canada. At this point, the PMRA requires products bearing old labels to be either disposed of in accordance with label directions and any applicable provincial laws or re-labeled with a newly amended label.

Government compliance personnel can and will be inspecting products on your shelves to ensure products with outdated labels are not being sold. Depending on the product, this may involve you:

- Identifying products with older labels and working with the chemical company and/or distribution partner to address re-labelling needs.
- Identifying products with older labels and disposing of products with older labels in accordance with the label directions and any applicable provincial laws.

To avoid the need for disposal or re-labelling, CropLife Canada strongly recommends that all distributors and retailers use the First In, First Out (FIFO) method of inventory management. FIFO is designed to promote the sale of the oldest products first before the sale of newer products. This practice is used extensively for perishable products but provides benefits for the management of shelf-stable products as well. Alternatively, the use of lot control can also be used to ensure products with older lot codes are sold first. Both practices include:

- Putting older products at the front of the shelf and newer products behind them, with labels facing forward. Older can be defined by lot code or by date received.
- Training employees on the importance of FIFO/lot control and updating policies.
- Displaying FIFO/lot control best practices with clear signage in storage areas.

Retailers and distributors may learn more about label changes through:

- Communications from your registrant partners outlining requirements and timelines. Contacting the pesticide company listed on the label.
- Visiting the PMRA website: Pesticide users can be encouraged to visit the PMRA label search tool to use the product according to the last approved label.
- For most commercial products, visiting the Agrichemical Warehousing Standards Association (awsa.ca) for products that have label changes.