B Boreal Trade

REGISTRATION OWNERSHIP STRUCTURING · SAMPLE 01

Who holds your market access, and what happens if you change distributor

Prepared for Kootenay Preserves Ltd., Creston, British Columbia · 21 September 2026

Illustrative worked example, not a client engagement. Kootenay Preserves Ltd. is a fictional company and the agreement described below is invented. Every regulatory value is real: each was read off the primary source listed at the end and carries the date it was read. No part of this is legal advice, and the clause list is a brief for your counsel rather than a substitute for one.

What you asked

You are about to sign a distribution agreement covering the Philippines, Indonesia and Thailand, and you asked whether the draft protects your position. It does not, and the reason is structural rather than a matter of drafting quality: in each of these three markets the permission that lets your product be sold is held by somebody who is not you.

Answer in one line

In all three markets your market access sits in your distributor's name, and your current draft says nothing about what happens to it. That is the mistake that costs the most and gets spotted the latest, usually at the moment you want to change partner.

1 · Who is allowed to hold what

MARKET	THE PERMISSION	WHO MAY HOLD IT	THE RULE THAT SAYS SO
Philippines	Licence to Operate, and the Certificate of Product Registration filed against it	A licensed Philippine establishment	AO 2024-0015 for the licence; AO 2020-0017 for the sequence
Indonesia	Business licensing for circulation of processed food	A party in Indonesia	PP 86/2019 as amended by PP 1/2026, Articles 34 and 82
Thailand	Import permit, and the filing behind it	The Thai importer	CFIA's Thailand requirements page puts the permit on the trade parties

A Canadian exporter with no local establishment cannot hold any of the three. That is not a gap in your planning, it is how these regimes are built, and the answer is therefore contractual rather than regulatory.

2 · The Philippines, in detail, because it is the worst of the three

The registration attaches to a licensed establishment, so it is filed by your importer, in their name, against their licence. If the relationship ends the registration does not travel with you unless you have agreed in advance that it will, and a new importer generally means filing again from the beginning.

> YOUR ACCESS IS CAPPED BY A DOCUMENT YOU HAVE NEVER READ
>
> Administrative Order 2024-0016 states that the validity of a Certificate of Product Registration held by an establishment with a valid Licence to Operate is determined by the FDA and in no case exceeds the validity of that licence. Your registration therefore expires when your distributor's licence does, whatever term you were quoted. Ask for the licence, its scope and its expiry date before you sign, not after.

There is a second exposure with nothing to do with your product. A renewal is filed within ninety calendar days before the licence expires; where a timely and sufficient renewal application has been made for an activity of a continuing nature, the existing licence does not expire until the FDA decides. Miss the date and a surcharge attaches. Miss it by a hundred and twenty days from expiry and the order allows the licence to be suspended, cancelled or revoked automatically, without notice and hearing, with six working days from receipt to show cause. A suspension may run up to a year.

If your distributor's licence lapses, your registrations sit behind it and your product is off the market for reasons entirely within their administration and entirely outside your control.

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3 · Indonesia, where the ground moved in January 2026

Peraturan Pemerintah Nomor 1 Tahun 2026 amended the 2019 food safety regulation and took effect on promulgation, 5 January 2026. Article 34 now requires processed food imported for trade in retail packaging to hold perizinan berusaha, business licensing, before it circulates, with the requirements following the licensing legislation rather than the food safety regulation. Article 82 states that licensing under the regulation is delivered through risk-based business licensing.

Three articles were deleted outright, including Article 36, which had exempted processed food with a shelf life under seven days, food used further as an ingredient and not sold to the final consumer, and limited quantities brought in for a registration application, for research or for personal consumption.

The operative detail, meaning the dossier, the evaluation track, the fees and the timelines, is set by BPOM's own Peraturan Badan. Its legal documentation site does not answer requests from our network: the connection is established and then times out with nothing returned. So this section gives the statutory frame and the January 2026 change, and does not give you a filing checklist, because we have not read one off a primary source. Ask your importer for the current Peraturan Badan covering your category, and ask specifically how the shift to perizinan berusaha is being applied to imported products in practice.

The halal registration runs on a separate track with its own holder question, and it also sits with the importer. It is covered in our halal sample rather than here.

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4 · Thailand, where two different agencies are involved

Responsibility for inspecting imported food was transferred from the Thai Food and Drug Administration to agencies under the Ministry of Agriculture and Cooperatives, recorded in Thai FDA notifications of 29 April 2016 and 23 March 2023 and a Ministry order of 27 April 2023 appointing a committee to review the transfer. The transfer is organised by commodity, with named coordinating units for plant, fishery and livestock products.

So a Thai filing and a Thai border inspection sit with different parts of government, and an importer fluent in one is not necessarily fluent in the other. Ask which agency handles your commodity before the first shipment rather than during

it.

Thailand maintains a register of foreign agencies whose inspection results it accepts. As it stands that register holds a single entry, an Indian authority recognised against one Thai standard. **Canada is not on it.** You cannot plan on Canadian inspection results standing in for Thai ones, and you should assume your consignment is inspected on arrival on Thailand's terms. For the one product line CFIA details, boneless beef, that means inspection and detention for laboratory testing on arrival with the owner or importer fully charged, and failure to follow import procedures may result in the meat being returned to Canada or destroyed without compensation.

Testing cost and the risk of destruction without compensation are commercial exposures that need an owner in your contract. Read them against your Incoterms before you agree them.

5 · What we recommend

MARKET	STRUCTURE	WHY
Philippines	Distributor holds, with contractual protection	No alternative without a Philippine establishment. The protection has to do all the work, so it has to be drafted before signature
Indonesia	Distributor holds, reviewed once the Peraturan Badan is in hand	The regime moved in January 2026 and defers to another instrument we have not read. Do not finalise a structure on an assumption about it
Thailand	Importer holds the permit. Separate the permit question from the inspection question	Different agencies. An importer strong on one may be weak on the other, and that is a selection criterion rather than a clause

6 · The clauses your agreement is missing

A brief for your counsel, not a draft. Each of these exists because of something above.

- **Registration held on your behalf.** State that any licence, registration or permit obtained for your products is held for your benefit, and that the distributor acquires no proprietary interest in it.
- **Transfer on termination.** An obligation to transfer or surrender the registration on termination, with a deadline, and cooperation with a successor holder. Where transfer is not permitted by the regulator, an obligation to surrender so a successor can file.
- **Licence maintenance and disclosure.** A warranty that the Licence to Operate is current and covers your category, disclosure of its scope and expiry, notice of any renewal filing, and notice within a fixed period of any suspension, surcharge or show-cause order.
- **Lapse as a termination event.** Make a lapsed or suspended licence a terminable breach, because the Philippine order allows automatic revocation without notice and hearing at a hundred and twenty days.
- **Cost and risk on arrival.** Who pays for testing on arrival, and who carries the loss if a consignment is refused, returned or destroyed. Align it with the Incoterms rather than leaving the two to contradict each other.
- **Regulatory change.** A review trigger where the licensing regime changes, which Indonesia has just demonstrated is not hypothetical.

Sources

- Administrative Order 2024-0015, Rules, Requirements and Procedures in the Application for License to Operate, Philippine Food and Drug Administration, read 19 September 2026. Licence validity, the ninety-day renewal window, and revocation at a hundred and twenty days. https://www.fda.gov.ph/wp-content/uploads/2024/11/Administrative-Order-No.2024-0015.pdf

- Administrative Order 2024-0016, Implementing Guidelines on the New Schedule of Fees and Charges, read 19 September 2026. A registration cannot outlive the licence.
  https://www.fda.gov.ph/wp-content/uploads/2025/01/Administrative-Order-No.-2024-0016.pdf
- Administrative Order 2020-0017, Revised Guidelines on the Unified Licensing Requirements and Procedures, read 18 September 2026. The licence then registration sequence.
  https://www.fda.gov.ph/wp-content/uploads/2020/05/Administrative-Order-No.2020-0017.pdf
- Peraturan Pemerintah Nomor 1 Tahun 2026 amending Peraturan Pemerintah Nomor 86 Tahun 2019, read 19 September 2026. Articles 34 and 82, and the deletion of Article 36.
  https://jdih.setneg.go.id/api/hukumproduk/pdf?l=uploads&fl=P20498&f=Salinan%20PP%20Nomor%201%20Tahun%202026.pdf
- Transfer of duties under the Food Act, National Bureau of Agricultural Commodity and Food Standards, read 18 September 2026. Inspection moved to Ministry of Agriculture agencies.
  https://www.acfs.go.th/article/Transfer-of-duties-under-the-Food-Act
- Countries with equivalent standards whose inspection results are accepted, read 18 September 2026. Canada is not on the register.
  https://www.acfs.go.th/article/list-of-countries-accepted-audit-results
- Thailand: export requirements for meat and poultry products, Canadian Food Inspection Agency, read 18 September 2026. Inspection and detention on arrival, and the permit sitting with the trade parties.
  https://inspection.canada.ca/en/exporting-food-plants-animals/food-exports/requirements-library/thailand-meat-and-poultry-products

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