

**CHAPTER 2, SUBJECT 6****COST RECOVERY FOR DOMESTIC PRODUCT INSPECTION/CERTIFICATION****1. SCOPE**

This document outlines the regulations, policy and procedures governing cost recovery for the certification of domestic fish and fish products and other related Inspection services.

**2. AUTHORITIES**

Fish Inspection Act, R.S.C. 1985, c. G-12;

Fish Inspection Regulations (F.I.R.) C.R.C., 1978, C.802;

Section 6.5, Section 9, Section 10 (F.I.R.)

**3. POLICY**

3.1 The provisions of the domestic cost-recovery system apply to fish and fish products destined for human consumption that are processed in a federally registered establishment.

3.1.1 There shall be no fees levied for all or part of any facility or product inspection performed under the audit function of the Quality Management Program.

**3.2 Product Certification**

3.2.1 A fee is to be levied for all certificates issued by the CFIA for products processed by a federally registered establishment. The amount of the fee depends upon:

- a) whether a "physical" inspection of the product is conducted; and/or
- b) whether a certificate is provided on the basis of an evaluation of the establishment's QMP and a record check of the product.

3.2.2 If a person requests an inspection certificate and an inspection is conducted, the fee will be levied even if the applicant later requests that a certificate not be issued.

- 3.2.3 All decisions regarding whether an inspection is to be performed shall be in accordance with the Quality Management Program Policy and Procedures, Chapter 3, Subjects 1 and 2 of the Facilities Inspection Manual.
- 3.2.4 The inspection service fees for certificates are found in Section 9(3) of the FIR.
- 3.2.5 The maximum amount of inspection service fees for certificates paid by any one person in a calendar year shall not exceed \$10,000.
- 3.2.6 If an inspector needs to issue a new certificate in order to amend or correct a previously issued certificate, as a result of omissions or oversights by the CFIA, there shall not be any additional charges to the applicant.
- 3.2.7 A Broker/Wholesaler who requests certification of product prior to the product being exported shall be assessed fees in the following manner:
- a) when requesting a certificate for one or more lots of fish which have been previously certified (sometimes referred to as a "Master Certificate"), a fee of \$25 will be levied provided the original certificate(s) is valid. This is irrespective of which region issued the original certificate(s).
- In accordance with paragraphs 3.1 and 3.6 of Chapter 10 of this manual, an inspector shall inspect the products to be certified if there is reason to believe that the fish/fish products have deteriorated or do not meet the conditions of the original certificate. In this case the products shall be inspected before the master certificate is issued and a fee of \$100.00 will be charged;
- b) when requesting a certificate for one or more lots of fish which have not previously been certified from one federally registered establishment located in the same region as the broker, the fee will be in accordance with section 3.2.1 (i.e., on the basis of the QMP rating);
  - c) when requesting a certificate for one or more lots of fish which have not been previously certified from more than one federally registered establishment, a fee of \$100 will be levied as an inspection of the product will be mandatory.

- 3.2.8 Fees shall be assessed in the following manner for non-registered exporters of live fish operating under approved protocols who request certification of product prior to the product being exported:
- a) when a "record" check only is necessary, a fee of \$25 will be levied;
  - b) when an inspection of the product is conducted, a fee of \$100 will be levied, provided the exporter is in compliance with a signed certification protocol; or
  - c) when a live fish exporter is not operating under a protocol for certification purposes, the fee levied will be \$100 for each certificate.
- 3.2.9 When one lot of fish requires more than one type of certificate, the fees associated with that lot of fish shall be levied in the following manner:
- a) if the particular lot of fish requires an inspection, the fee for the first certificate will be \$100 and the subsequent additional certificates will be at a rate of \$25 per certificate; or
  - b) if a particular lot of fish does not require an inspection, the fee for each certificate will be \$25.
- 3.2.10 For all product originating from a non-registered establishment not operating under a live fish protocol, an inspection shall be performed prior to issuing a certificate with the appropriate fee levied (\$100).
- 3.2.11 When chemical and/or microbiological evaluations must be performed on fish to meet the importing country's requirements (as listed in Chapter 10 of this manual), no additional fees will be charged for these inspections.
- In cases where the foreign country requirements have changed and the information in Chapter 10 is out-of-date or when the requirements are not found in this manual, the fees for chemical and/or microbiological evaluations will be waived. Exporters should obtain documents from authorities in the importing country that outline these requirements. NHQ should be advised immediately of these changes.
- 3.2.12 When chemical and/or microbiological evaluations are performed at the request of the exporter for any reasons other than those listed in 3.2.11 above, they will be

considered to be a requested product inspection and will be fully cost recoverable as described in 4.2.

#### **4. PROCEDURES**

##### **4.1 Product Certification**

- 4.1.1 Upon written request, industry members may be supplied with adequate product certificates for their use. If corresponding certificate numbers are assigned to the certificates, a system for inventory and verification must be in place to ensure proper use and control of certificates. Whenever a subsequent request for additional certificates is received, a record check is performed to review outstanding certificates under the control of the applicant.
- 4.1.2 When a written request for product certification is received, all procedures as outlined in Chapter 10 of this manual are to be followed.
- 4.1.3 When the QMP and record check indicate that no inspection is required, or when the required inspection is completed, the certificate is signed, sealed and issued to the consignor.
- 4.1.4 All pertinent information including "the results of an inspection", when an inspection has been performed, shall be entered into the appropriate National Database.
- 4.1.5 Certificates issued for live fish under an approved protocol will be signed and sealed prior to issuance as per the protocol.
- 4.1.6 When the inspection of the product is complete (if needed) and the certificate issued, a "Record of Transaction" (Appendix A) must be produced.
- 4.1.7 All processors/exporters who have invoices outstanding for 60 days will be identified by the Regional Financial Officer. All processors/exporters so identified shall be given a written "warning" indicating that fees are outstanding and that if payment in full is not submitted within 30 days, Section 17(1)(e) of the FIR will be invoked (i.e., registration suspended). The Regional Financial Office should be consulted for details.

## 4.2 Requested Product Inspections

- 4.2.1 Where a request for a product inspection is received from a QMP Importer for a test listed in Table 6.5(5) of the FIR, the testing should be conducted. Where a request for product inspection of fish and/or fish products is received from a non-QMPI owner/interested party, or for tests which are not listed in Table 6.5(5) of the FIR, the testing will be conducted at the discretion of the laboratory.
- 4.2.2 The "Request for an Inspection of Fish or for a Fish Processing Facility" (Appendix A) shall be used by anyone requesting a product inspection. The form is to be forwarded to a CFIA office with the samples. The CFIA is not responsible for conducting the sampling for requested product inspection testing.
- 4.2.3 The minimum fee payable for any requested inspection shall be of the amount stated in Column III of Table 6.5(5). This includes any fish and/or fish products offered for requested inspection containing a sample size less than the amount stated in Column II of Table 6.5(5).
- 4.2.4 For requested inspections, laboratories assume the role of a third-party service provider and service standards do not apply. Regular inspection work should take priority over requested tests. For QMP or QMPI it is assumed that the company requesting the test is responsible for application of the associated standard, so the test results should be reported in a manner that does not render a Pass/Fail inspection decision. Laboratory inspections should be reported to QMP importers on a Laboratory Inspection Report and not on a Fish Inspection Report.
- 4.2.5 In circumstances where there is a health and safety concern identified based on the test results, the CFIA should discontinue the third party role and ensure that the products are not distributed or that any necessary recall actions are initiated.
- 4.2.6 Any requested product inspections shall be performed based upon the presentation of the product for inspection by the applicant. It shall be the applicant's decision on how the lot will be presented.
- 4.2.7 Once the product has been inspected, fees will be billed on a monthly basis.
- 4.2.8 Requested inspections will be billed using a "Record of Transaction" form (Appendix B) produced by Accounts

Receivable of CFIA.

**5. FORMS/DOCUMENTS**

Appendix A - Record of Transaction

Appendix B - Request for an Inspection of Fish or for a  
Fish Processing Facility

2 6 A-1  
New 04/06/99

**APPENDIX A**

2 6 B-1  
New 04/06/99

**APPENDIX B**