



**Fish Products
Inspection Manual**

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CHAPTER 3, SUBJECT 3

COST RECOVERY FOR IMPORT INSPECTIONS

1. SCOPE

This document outlines the regulations, policy and procedures governing the cost-recovery program for import inspection of fish and fish products.

2. AUTHORITIES

Fish Inspection Act, R.S.C. 1985, c. F-12.
Fish Inspection Regulations (FIR), C.R.C., 1978, c.802;
Part I, General.
Canadian Food Inspection Agency Fees Notice

3. POLICY

3.1 The provisions of the cost-recovery program for imported fish and fish products apply only to fish and fish products intended for human consumption. Imports that are declared as bait, pet food or that are intended for personal consumption are excluded from the provisions of this policy.

3.2 Import Licence

3.2.1 The importer of record must be the holder of a valid import licence issued by CFIA. The licence is valid for 12 months after the date of issue. The licence will not be renewed if the importer has outstanding fees payable to the CFIA.

The licence will be suspended if the importer has fees outstanding for a period greater than 90 days (see Outstanding Invoices, section 4.9).

3.2.2 A business operating under several company names must have an import licence for each company name, if each company acts as an importer. A broker may obtain a licence if that person/organisation wishes to be the "importer of record" of the goods from a foreign company and accepts all responsibilities and rights associated with the licence.

3.2.3 A company will require only one licence regardless of the number of ports through which product is imported. Companies should be advised that they are to provide their



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branch offices with a copy of the licence if imports are to be made through more than one port of entry.

- 3.2.4 An offshore company may obtain a licence as a non-resident importer in Canada and will have all the responsibilities and rights associated with the licence, including the requirement to keep records for recall, complaints and process controls at an address in Canada.

3.3 Inspection service fee

- 3.3.1 Importers must provide written notification to the CFIA of all shipments of imported fish and fish products intended for sale for human consumption.
- 3.3.2 An inspection service fee is to be levied for all imported shipments based on: the declared weight as provided in the import notification form; the category of product; the risks; and the type of licence. The net weight/content is to be the same as declared to Canada Border Services Agency.
- 3.3.3 An inspection service fee will normally be levied for cancelled shipments when the information concerning this shipment has been entered in CFIA's import database.

3.4 Inspection/Analysis fees

- 3.4.1 If the inspector decides to divide up the lot, the inspection service fee charged will be the same as if the inspection was done on the undivided lot.
- 3.4.2 Analyses performed as a result of an importer request or a request for reinspection will be charged in accordance with the fees for requested analysis as found in the CFIA Fees Notice or for reinspection in accordance with the fees as found in the *CFIA Fees Notice*.

3.5 Relabelling

If a product fails for net content or label evaluation and the importer re-labels with the required corrections, only the required inspection service fees are to be charged. Where on-site evaluation is not required, no charges are to be levied. However, the product will be placed or remain on the MIL as an unacceptable shipment. If the importer challenges the rejection and requests a reinspection, then the required reinspection fee is to be charged. If the product fails reinspection, the importer may re-label but no additional label evaluation fee is to be charged.



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3.6 Appeal process

When a QMPI licence holder requests a review of the assigned QMPI rating and the regional director initiates such a review, fees will be charged in accordance with the CFIA Fees Notice.

4. PROCEDURES

4.1 Import Licence

4.1.1 Applicants will be issued a licence to import fish products upon receipt at the regional office of a completed "Application for a Licence to Import Fish" and the C\$ 500 fee payable by cheque or money order to the Receiver General for Canada. All sections other than "for Departmental use only" must be completed by the applicant. It is important that the legal company name be given. Currently, the customs number is optional. The "For Departmental use only" section is to be completed by the issuing office. The coding is to be completed using the regional collator and cost code.

A shared or enhanced QMPI licence will be issued to importers when their written submission has been accepted and they have submitted the C\$ 5,000 fee payable by cheque or money order to the Receiver General for Canada. The shared or enhanced licence fee includes the Fish Importer's Licence fee.

The inspector will update the importer's status in the CFIA's import database from "Fish import licence holders" to either Shared or Enhanced as indicated in their written submission. The effective date will be the date when the submission is accepted and the fee received.

4.1.2 The "Import Licence" will be issued yearly following receipt of the application and fee. The expiration date will be 12 months after the date of issue. NHQ will send importers a licence renewal reminder at least one month before the expiration date for their licence. Regional offices will continue to issue the new licences.

A block of licence numbers have been assigned to each area (where X corresponds to year):

Area

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Atlantic	X0,000 to X0,999
Quebec	X1,000 to X2,999
Ontario	X3,000 to X5,999
Western	X6,000 to X7,999

4.1.3 When an importer renews the import licence in the same area where it was previously issued, the new licence number should be the same as the previous year's licence with only the first digit of the number being changed. However, if the importer sends the licence renewal form to a different area, then the new licence number which is issued should reflect the numbers which have been assigned for that region.

4.1.4 An up-to-date list of importers is available from the national import database.

4.2 Inspection service fee

Charges are to be levied for all imported shipments in accordance with the following table:

	FISH IMPORT LICENCE HOLDERS	SHARED	ENHANCED	FURTHER PROCESSING All Products All Importers*
Type of product	\$/kg	\$/kg	\$/kg	\$30/ shipment
READY-TO-EAT	0.15	0.05	0.002	
CANNED	0.02	0.005	0.002	
FRESH	0.01	0.005	0.002	
RAW MOLLUSCAN SHELLFISH	0.01	0.005	0.002	
OTHER PRODUCT (GENERAL)	0.01	0.005	0.002	

* Imported product destined for significant transformation in a federally registered establishment.

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4.3 Suspended Inspection

When an inspection of a product selected for inspection has commenced, and the results indicate the lot would be rejected, the owner may have the inspection suspended. (For details on the procedure to be followed, see Chapter 2, Subject 1 of this manual - "Initial Inspection".)

4.4 Reinspection

A charge is to be levied for all reinspections carried out on imported products in accordance with section 10.1 of the FIR. (For procedures and policies governing Reinspections, see Chapter 2, Subject 2 of this manual.)

4.5 Special Inspections

All requested inspections of samples are cost recoverable, as per the CFIA Fees Notice. Importers should be asked to clearly indicate in writing which inspections they wish carried out. A national form for this purpose is available (see Appendix D). The inspection fees listed in the CFIA Fees Notice will be charged for each completed inspection.

The inspector should verify that no other Special Inspection is being performed or has been performed on the same production code of the product that has been submitted for inspection.

4.6 Cost Recovery With Respect to Special Case Imports

For the applicability of some special case imports, see Chapter 3, Subject 1, of this manual - Imports.

4.7 Appeal process

A fee of \$1,000 is to be levied for a review conducted under the appeal process.

4.8 Invoicing

- 4.8.1 Shipments will be invoiced based on the location where the products were available for inspection. Occasions will arise wherein a shipment will clear customs in one Region but will be destined for another Region. If the importer provides notification to the local CFIA office at the time the goods clear customs, the importer has fulfilled the requirements of Section 6(2.1) of the FIR. The local CFIA office must then notify the CFIA office in the receiving region of the

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particulars of the shipment. The CFIA office in the receiving region is responsible for: determining whether the product requires inspection; sampling; conducting the inspection; and preparations for cost recovery of the appropriate inspection service fee, as well as charging for any cost-recoverable inspections that are carried out.

- 4.8.2 Similarly, where a reinspection is carried out in a region other than that of the original inspection, invoicing is to be completed by the region where the initial inspection took place.
- 4.8.3 The CFIA's financial office will generate and send the importers the invoices for all fees related to shipments of imported fish.

4.9 Outstanding Invoices

All importers who have invoices outstanding for 60 days will be "listed" by the CFIA's financial office. The importer should be advised in writing and by registered mail that their licence will be suspended in 30 days if their invoices are still outstanding at that time. Subsequent imports from importers on this list will be detained until Finance has indicated that all outstanding fees have been paid. The CFIA financial office is to be consulted for details.

When importers have invoices outstanding for 90 days or more, the licence will be suspended and they will not have their import licences renewed. (Please refer to the Fish Inspection Program Compliance Management Process.)

5. FORMS/DOCUMENTS

- Appendix A - Fish Inspection Report
- Appendix B - Application for a Licence to Import Fish
- Appendix C - Import Licence
- Appendix D - Request for an Inspection of Fish or for a Fish Processing Facility
- Appendix E - Sampling Plans
- Appendix F - Import Licence Renewal Letter
- Appendix G - Outstanding Invoice Warning Letter
- Appendix H - Import Licence Suspension Letter



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**APPENDIX A
FISH INSPECTION REPORT**



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APPENDIX B



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APPENDIX C



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APPENDIX D



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APPENDIX E

SAMPLING PLANS

**SAMPLING PLAN 1
(Inspection Level I, AQL = 6.5)**

Net weight is equal to or less than 1 kg (2.2 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
4,800 or less	6	1	(0)
4,801 - 24,000	13	2	(1)
24,001 - 48,000	21	3	(2)
48,001 - 84,000	29	4	(3)
84,001 - 144,000	48	6	(4)
144,001 - 240,000	84	9	(6)
more than 240,000	126	13	(9)

Net weight is greater than 1 kg (2.2 lb) but not more than 4.5 kg (10 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
2,400 or less	6	1	(0)
2,401 - 15,000	13	2	(1)
15,001 - 24,000	21	3	(2)
24,001 - 42,000	29	4	(3)
42,001 - 72,000	48	6	(4)
72,001 - 120,000	84	9	(6)
more than 120,000	126	13	(9)

Net weight is greater than 4.5 kg (10 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
600 or less	6	1	(0)
601 - 2,000	13	2	(1)
2,001 - 7,200	21	3	(2)
7,201 - 15,000	29	4	(3)
15,001 - 24,000	48	6	(4)
24,001 - 42,000	84	9	(6)
more than 42,000	126	13	(9)

* The figure in brackets under the Acceptance Number (c) indicates the Acceptance Number for decomposition.



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**SAMPLING PLAN 2
(Inspection Level II, AQL = 6.5)**

Net weight is equal to or less than 1 kg (2.2 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
4,800 or less	13	2	(1)
4,801 - 24,000	21	3	(2)
24,001 - 48,000	29	4	(3)
48,001 - 84,000	48	6	(4)
84,001 - 144,000	84	9	(6)
144,001 - 240,000	126	13	(9)
more than 240,000	200	19	(13)

Net weight is greater than 1 kg (2.2 lb) but not more than 4.5 kg (10 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
2,400 or less	13	2	(1)
2,401 - 15,000	21	3	(2)
15,001 - 24,000	29	4	(3)
24,001 - 42,000	48	6	(4)
42,001 - 72,000	84	9	(6)
72,001 - 120,000	126	13	(9)
more than 120,000	200	19	(13)

Net weight is greater than 4.5 kg (10 lb)

Lot Size (N)	Sample Size (n)	Acceptance Number	
		No.	(c)*
600 or less	13	2	(1)
601 - 2,000	21	3	(2)
2,001 - 7,200	29	4	(3)
7,201 - 15,000	48	6	(4)
15,001 - 24,000	84	9	(6)
24,001 - 42,000	126	13	(9)
more than 42,000	200	19	(13)

* The figure in brackets under the Acceptance Number (c) indicates the Acceptance Number for decomposition.



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APPENDIX F

IMPORT LICENCE RENEWAL LETTER



Ref.: Import Licence Renewal Denied

Licence Number:

Your request to renew your licence to import fish into Canada is denied.

A review of your records shows that the following invoices :

- xxxxxx
- xxxxxx
- xxxxxx

have not been paid.

Section 6.2. of the *Fish Inspection Regulations* allows the Minister to refuse to renew an import licence when the holder of that licence has outstanding fees payable to the CFIA.

Please contact this office to advise me of your plans to pay your outstanding invoices. This will allow the CFIA to renew your import licence.

Sincerely,

Individual Responsible

c.c.: Supervisor



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OUTSTANDING INVOICE WARNING LETTER



Ref.: Outstanding Invoices

Licence Number:

A review of your account shows that the following invoices :

-XXXXXX
-XXXXXX
-XXXXXX

have not been paid and are past due for 60 days. Please contact this office to advise me of your plans to pay your outstanding invoices. Future shipments may be detained pending the payment of these outstanding invoices.

Section 6.2. of the *Fish Inspection Regulations* allows the Minister to suspend an import licence when the holder of that licence has outstanding fees payable to the CFIA. Your licence will be suspended if these invoices have not been paid in the next 30 days.

Once your licence has been suspended you will no longer be eligible to import fish into Canada under licence number (#####). The licence will remain suspended until your outstanding invoices have been paid.

Sincerely,

Individual Responsible

c.c.: Supervisor



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APPENDIX H

IMPORT LICENCE SUSPENSION LETTER



Ref.: Import Licence Suspension
Licence Number:

Section 6.2. of the *Fish Inspection Regulations* allows the Minister to suspend an import licence when the holder of that licence has outstanding fees payable to CFIA.

A review of your account shows that the following invoices:
- xxxxxx

have not been paid and are past due for 90 days. You were advised on (date) that these invoices were past due for 60 days and that your licence would be suspended if the accounts were not settled in the next 30 days.

Since CFIA has not received payment for these invoices, your import licence will be suspended on _____ (*dated 2 weeks from date on letter*). Please contact the closest CFIA office found on the attached list to advise them of your plans to pay your outstanding invoices.

Once your licence has been suspended, you will no longer be eligible to import fish into Canada under licence number (#####) until your outstanding invoices have been paid. Should your licence expire before payment of your outstanding invoices, you will also not be able to renew your import licence until the outstanding fees have been paid.

Sincerely,

(signed at Director level)

Attach.