

CHAPTER 2, SUBJECT 7**PERMIT POLICY****1. SCOPE**

This document outlines the policy governing the issuance of permits for fish processing establishments and fish and fish products.

2. AUTHORITIES

Fish Inspection Act, R.S.C., 1985, c. F-12; Part I
Fish Inspection Regulations (FIR) C.R.C., Chapter 802

Section 18.(1) (FIR)

Despite anything in these Regulations and subject to subsection (2), the President of the Agency may, on receiving an application, issue a permit to allow, during the period stated in the permit,

- (a) the production or marketing of experimental or test products;
- (b) the reworking, reconditioning, processing, culling or salvaging of fish at a registered establishment to enable the fish to meet the applicable requirements of the Act or these Regulations;
- (c) the construction or utilization of processing and support areas that do not comply with the Act or these Regulations;
- (d) equipment that is used in a vessel or an establishment constructed before the coming into force of this section that does not comply with the Act or these Regulations to continue to be used or to operate;
- (e) the marketing, possession, use or disposal of tainted, decomposed or unwholesome fish not intended for human consumption;
- (f) the re-use of containers or the use of labels that do not meet the applicable requirements of these Regulations;
- (g) the labelling of products to accommodate particular cultural communities in Canada;
- (h) the importing, exporting or marketing of fish for charitable purposes, international events or national festivities, if the lot size is less than 1 000 kg;

- (i) the production and supply of food in a national emergency or for international aid; or
- (j) the exporting to another country of fish or containers that do not meet the applicable requirements of the Act or these Regulations.

Section 18.(2) (FIR)

The President of the Agency may on reasonable grounds refuse to issue a permit if, in the President's opinion, the issuance of the permit

- (a) would result in a risk to public health or safety or otherwise diminish consumer protection;
- (b) may result in the marketing to consumers of fish that does not comply with subsection 6.(1) or section 27 or the requirements of other countries; or
- (c) may damage the reputation of Canada's fish processing industry.

Section 18.(3) (FIR)

The President of the Agency may revoke or refuse to issue a permit if

- (a) the President has reasonable grounds to believe that the holder of the permit or the applicant has provided false information to the President for the purpose of obtaining the permit; or
- (b) the holder of the permit or the applicant has contravened a condition of the permit or a provision of the Act or these Regulations.

Section 18.1 (FIR)

The President of the Agency may, from time to time, attach any conditions to a registration certificate, licence or permit issued under these Regulations if the President is satisfied that those conditions are necessary to ensure that the import or export of fish complies with these Regulations.

3. **DEFINITIONS**

"experimental product" - a fish product that is subject to scientific or technological experiments, is imported or exported for experimental purposes only, and is not distributed in any form to the public. (Note: if a processor or importer decides to distribute the final

product to the public, the product loses its "experimental product" status and becomes a "test market" product, provided the test market criteria are met.)

"fish for scientific purposes" - fish that is used by research centres, universities, etc., in their experiments and studies, and which is not intended for human consumption.

"permit" - a permit issued under Section 18.(1) of the *Fish Inspection Regulations*. (See Section 4.1 for those instances when permits are not required.)

"product for personal use" - a product that is not sold or traded for items or services of value, and that is not distributed in any form (e.g., samples) to the public (which includes exemptions for demonstration purposes).

"speciality food" - a food for special religious ceremonies, or an imported food that is not widely used by the population as a whole in Canada, and for which there is no substitute food processed in Canada (e.g., ethnic food).

"test product" - a fish product that is new to the Canadian market with respect to its composition, function, state or packaging form and is processed, imported, or exported for evaluation of market access.

4. GUIDELINES FOR ISSUANCE

4.1 Instances for which permits are not required:

- ▶ For fish products for "personal use", "experimental products" and "fish for scientific purposes" as defined in Section 3 of this document, as these products are not subject to the *Fish Inspection Regulations*.
- ▶ For production of test products at non-federally registered facilities and sold within the province where they were processed as these products are not subject to the *Fish Inspection Regulations* (permits may still be required by Section B.01.012 of the *Food and Drug Regulations* or by provincial regulations).
- ▶ For the use of labels that do not fully comply with Canadian requirements due to minor non-compliance(s) (e.g., spelling errors, letters smaller than

required, minor errors in translation, etc.). The conditions and corrective actions required to bring the label into compliance as outlined in a Label Evaluation Report will serve in lieu of a permit.

- ▶ To conduct reworking, reconditioning, processing, culling or salvage of fish in a federally registered establishment in conjunction with QMP activities so long as the fish have not been rejected by an Inspector. A corrective action process must be applied as outlined in the plant's Quality Management Program (QMP).
- ▶ For the disposal of rejected fish, provided the disposal is carried out in accordance with procedures outlined in a QMP or QMP for Importers (QMPI) plan. In the case of fish import "basic" licence holders, the procedures outlined in Chapter 3, Subject 1 of the Fish Products Inspection Manual must be followed.
- ▶ For the sale of rejected fish for use other than for human consumption. The Detention and Release procedures for rejected fish are outlined in Chapter 2, Subject 3 of the Fish Products Inspection Manual.
- ▶ For labelling of fish products for cultural/ethnic communities in Canada. These products are defined as "speciality foods" (see Definitions), and the requirements for their labelling are specified in Section B.01.012 of the *Food and Drug Regulations*.

4.2 Instances for which permits may be issued:

- ▶ For the production of experimental and test products in a non-registered facility, where the products are exported.
- ▶ To conduct reworking, reconditioning, processing, culling or salvage of fish that has been inspected and rejected by an inspector.
- ▶ For the construction or utilisation in facilities of processing and support areas that do not comply with the Fish Inspection Act or Regulations.
- ▶ For equipment that is used on a vessel or in an establishment that does not comply with the Fish Inspection Act or Regulations, but that was constructed before the coming into force of section 18.(1) of the FIR in 1999.

- ▶ For the marketing of test products with unilingual labels (English or French).
- ▶ For the re-use of containers that are normally intended for one-time use.
- ▶ For the use of labels that do not comply with the labelling requirements of the Fish Inspection Regulations, and that are intended for use on fish products exported outside Canada.
- ▶ For the import, export or marketing of fish for charitable purposes, international events or national festivities.
- ▶ For the production and supply of food in a national emergency or for international aid.

5. POLICY/PROCEDURES

5.1 General Principals

5.1.1 Any person may apply for a permit provided that they are:

- a) a holder of a fish export or import licence;
- b) an operator of a registered establishment as defined under the *Fish Inspection Regulations*; or
- c) an operator of a non-registered establishment, provided that information is available to prove that foods are processed under sanitary conditions and that final products are safe and wholesome.

5.1.2 Permits may be issued by the President of the CFIA, or the authority may be delegated to the Regional Directors. For all permits related to processing and marketing of test products, and the production and supply of food in a national emergency or for international aid, the National Manager, Product Inspection must approve the issuing of the permit, as per Section 5.3.2 of this policy. The Director, Fish, Seafood and Production Division is to be advised of all permits issued in these instances.

5.1.3 Activities and items that require permits are specified in Section 4.2 of this document. If required, conditions will be attached to the permit and will be the minimum requirements to be met in order to maintain the permit in good standing.

- 5.1.4 A permit will specify the period of time for which it is valid. This period may vary, and will be decided by the inspection office issuing the permit.
- 5.1.5 No permit will be issued when it is determined that issuing the permit would:
- a) result in a risk to public health or safety or otherwise diminish consumer protection; or
 - b) result in the marketing of fish that does not comply with the *Fish Inspection Regulations*, Sections 6.(1), or 27;
- 5.1.6 Where conditions required by a permit are addressed by a QMP or QMPI Plan, a blanket permit may be issued, so that it would not be necessary to obtain an individual permit for each instance a permit is required (e.g., labels). The permit will become invalid if the processor's registration is revoked or suspended, or if the importer loses their QMPI importer status.
- 5.1.7 The permit must consist of a document with a unique permit number, reference to the appropriate Sub-section under Section 18 of the *Fish Inspection Regulations* and the signature of the issuer. It should also list any of the conditions identified in Sections 5.3.1 to 5.3.6 that are appropriate. A permit format that must be used is in Section 6.
- 5.2 Revocation of Permits**
- 5.2.1 A permit may be revoked if:
- a) there are reasonable grounds to believe that the holder of the permit has given false or misleading information to the CFIA; or
 - b) the permit holder is not in compliance with the conditions of the permit.
- 5.2.2 Inspectors shall detain products not in compliance with the conditions of the permit and shall initiate processes that will result in corrective actions or initiate a process to revoke the permit.

5.3 Issuance of permits

5.3.1 Production of test products in non-registered facilities

A permit for production of a test product in a non-registered facility may be issued by a Regional Director subject to the following conditions.

- 5.3.1.1 If the facility is primarily dedicated to research or product development (e.g., Universities, Technology Development Centres, Research Facilities, etc.).
- 5.3.1.2 The processing takes place under sanitary conditions and the final product is safe and wholesome.
- 5.3.1.3 Normally permits issued for test products are a one-time occurrence. However, where more than one experimental facility are developing products using similar processing method(s) and/or resulting in a product showing similar characteristics, a permit may be issued to more than one non-registered facility for the production of these similar products provided that the interval of time between the request from the first establishment and any subsequent requests from other establishments does not exceed 6 months.

5.3.2 Marketing of Test Products

The applicant must submit to the National Manager, Product Inspection, the following information:

- a description of the product form;
- the quantities of product to be marketed;
- a product formulation;
- the area(s) and a list of the stores or other locations where marketing will take place;
- the approximate date when the marketing will commence;
- any other relevant information, as requested by the CFIA.

A permit for marketing a test product provides an exemption only from bilingual labelling and standard container size requirements. It may be issued subject to the following conditions:

- 5.3.2.1 The requirements of Section B.01.012 of the Food and Drug Regulations are met.

5.3.2.2 The information submitted shows that the product is new to the Canadian market in regards to its composition, function, state or packaging form. (This information will be reviewed by NHQ; the Regional Director will be advised of the decision.)

5.3.3 Permits for non-compliant construction, non-compliant equipment and re-use of containers

To receive a permit for non-compliant construction, non-compliant equipment and re-use of containers, the processor must submit an application to the Regional Director and satisfy the conditions outlined below:

5.3.3.1 To obtain a permit for the use of non-compliant construction, the processor has in place a satisfactory mechanism or system that deals with the intent of the regulations and is documented in an accepted QMP plan. If the requirements of the regulations are not met, and no other satisfactory system is in place, the facility cannot obtain a permit or process for export.

5.3.3.2 To obtain a permit for the use of non-compliant equipment in an establishment, the processor must demonstrate that appropriate measures are in place which will ensure acceptable sanitation and the production of wholesome and safe products. The measures must be documented in an accepted QMP plan.

5.3.3.3 To obtain a permit for the re-use of containers, there is a system to ensure adequate cleaning, disinfection and sanitation and the system is documented in an accepted QMP plan.

5.3.4 Issuance of Permits for the Import, Export or Marketing of Fish for Charitable Purposes, International Events or National Festivities

The organisation applying for the permit must provide the Regional Director with a letter signed by a representative of the organisation containing all required information related to the event (where, when, approximate number of participants, and any other information requested by CFIA). The permit will be for the exemption of import licensing, import record keeping, product labelling and/or payment of fees pursuant to the *CFIA Act* and *Fish Inspection Regulations*. Normally permits for products for charitable purposes will only be issued for lots of less than 1,000 kg, but permits may be issued for larger lots provided the following conditions

are met.

5.3.4.1 Where products are not appropriately labelled, all the mandatory information is available upon request. If intended for cooking and subsequent distribution to consumers, products are accompanied by a manifest which lists all ingredients in an intelligible manner, and adequate information on the proper method of handling, storage and preparation of the product.

5.3.4.2 The importer must provide a written statement verifying that the fish will not be used for personal and/or individual profit, and that any fish remaining from the event will be disposed of in an acceptable manner.

5.3.5 Issuance of Permits for the Production and Supply of Food in a National Emergency or for International Aid

An international emergency relief organisation may apply to the Regional Director for a permit to process, distribute, or export a product in emergency situations.

5.3.5.1 A permit for processing or importing food in a national emergency may be issued with the approval of the President.

5.3.6 Issuance of Permits for Export of Fish and Containers that do not comply with the Requirements of the Fish Inspection Act or Regulations

A permit for the purpose of exporting to another country, fish and containers that do not comply with Canadian requirements but that comply with the requirements of the importing country, may be issued by the Regional Director. These permits apply mostly to labelling; however, they may include other issues, such as the presence of additives in an amount exceeding the maximum levels permitted in Canada, or the use of a type of container unapproved in Canada. If the procedures that are applied to control these instances are included in the establishment's QMP plan, a one-time permit may be issued and will remain valid for an unlimited time, unless a compliance verification finds a lack of control by the processor. In the case of labels, a single permit may be issued for **all** labels subject to the documented controls if the conditions in this section as described below, and further described in the Label Inspection Policy and Procedures for Fish and Fish Products, are met:

- 5.3.6.1 The label is not false, misleading or deceptive.
- 5.3.6.2 The manufacturer is able to substantiate any claims or statements included on the label.
- 5.3.6.3 Labels contain the normal mandatory information such as name, ingredients, net content, manufacturer, and any descriptive terms such as storage instructions and expiry date (when required).
- 5.3.6.4 The exporter:
- a) in cases related to health and safety (e.g., non-permitted additives), submits to the inspection office the appropriate documentation from the competent authorities of the importing country confirmation that the label/product that is the subject of the permit, meets the importing country regulations; and
 - b) in all other cases (e.g., quality designations, grades), has in their possession and available for audit, the related specification from the importing country authorities **or** from the buyer.
- Note: In cases where the inspection office is aware of the requirements of the importing country, the exporter need not acquire the noted documentation.
- 5.3.6.5 The permit number is identified on the carton with the term "For Export to (name of the importing country)".

6. **FORMAT FOR EXEMPTION PERMIT**

Permit #

In accordance with Section 18, sub-section ___ of the *Fish Inspection Regulations*, this Permit is granted to: (Name, Address and, if applicable, Registration or Import License Number of company which applied for the permit).

This permit is granted subject to the following conditions:

___ Processing in a non-registered facility takes place under sanitary conditions and the product is not tainted, decomposed or unwholesome, in accordance with the *Fish Inspection Regulations*.

___ A maximum (quantity) of (product) is marketed in (test market area).

___ A control system approved by an Inspector is identified in the processor's QMP and is effectively implemented for processing with non-compliant construction, equipment or containers.

___ Product remaining after a charitable event or festival is disposed of in an acceptable manner.

___ Master cartons are labelled with the statement "For export to (name of importing country)".

___ A control system approved by an Inspector is identified in the processor's QMP and is effectively implemented for the development and control of labels which meet the requirements of the *Fish Inspection Regulations* or are in compliance with conditions outlined on the permit.

___ The local Inspection Office is notified in advance of any shipments under the permit.

___ The permit number is shown on the label and on the documentation for the product shipped under the permit.

___ The permit is valid until _____.

Other than the conditions identified on this permit, all other requirements of the *Fish Inspection Regulations* must be met.

Regional Director _____
Name Signature

Inspector _____
(who approved the request or prepared the permit) Name Signature

Date of Issue _____