

1431 Merivale Road Ottawa, Ontario K1A 0Y9

March 10, 2014

RE: Important Information about the CFIA's Destination Inspection Service

Dear Industry Member

This information package contains important information with respect to the Destination Inspection Service (DIS). Please review the information contained. Should you have any questions, please contact the CFIA or your industry association.

Over the last year, the CFIA has considered information garnered from public consultation, industry advisory groups and operating data in order to enhance how DIS is managed, how services are offered and the associated user-fees for services. The result is a DIS which is more affordable, accessible and continues to meet established service standards for timely inspections.

Key points related to enhancements to the DIS

- The final planned changes to DIS user fees will come into effect on April 1, 2014.
 - A fee of \$171 per hour will be applied for all services.
 - The Call Out Fee of \$50 previously applied for each invoice is revoked.
 - The Cancellation Fee of \$70 will be applied when an inspection request is cancelled and an inspector is dispatched and costs have been incurred.
- Greater precision in invoicing for services.
 - Use of real time up to a maximum standard time established for each commodity and sample size required.
 - o Billing based on real-time up to a maximum based on established standard times.
 - Minimum one hour of service will be charged per visit at the client location.
 - o Minimum overtime fees charged to applicants may be reduced when local industry requirements are high.
- New services will soon be provided to include digital images and electronic certificates where web access is available.

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On behalf of all the dedicated DIS staff in six locations across Canada and those CFIA staff providing destination services in other key locations, I want to thank DIS clients and other industry stakeholders for your invaluable feedback. We are privileged to be recognized as the preferred service provider of inspection services for fresh fruit and vegetable quality and condition in Canada.

Should you have any questions regarding the DIS user fees, please contact me, a member of the DIS team, or your Fresh Produce Alliance member association (below).

Yours sincerely,

Shelley Ippolito

Director

Destination Inspection Service Canadian Food Inspection Agency

Shelley Sppolito

DIS Contacts

Western

Ontario

Eastern (Québec, Atlantic

(BC, AB, MB, SK)

(excluding the Ottawa Region)

and Ottawa Region)

(604) 666-4758

(289) 247-4062

(514) 493-8859 (326)

For a full list of DIS contacts, click on www.inspection.gc.ca and search For keyword "DIS"

National Industry Associations

Anne Fowlie Executive V/P CHC

Ron Lemaire President **CPMA**

Fred Webber President & CEO DRC

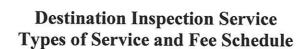
Fred Cherkly











Services Offered

The Destination Inspection Service (DIS) provides inspection services that are of direct benefit to the fresh produce industry. Inspections are conducted by trained federal Inspectors with oversight by specialist Trainers and DIS Supervisors.

Where a load of fresh produce arrives in a damaged or deteriorated condition in Canada, an inspection must be requested within 24 hours, exclusive of Sundays and holidays, in order to satisfy good trading practice requirements should a financial dispute arise. Only CFIA certificates are accepted as prima facie evidence by the Fruit and Vegetable Dispute Resolution Corporation (DRC)

Most frequently requested services are:

- Condition defects These relate to the degree of soundness or preservation of a product and include, but are not limited to firmness or stages of ripeness, decay, shriveling, or any other progressive factor which affects its marketability. Condition defects worsen over time.
- Temperature inspections Fresh produce deteriorates rapidly when correct temperatures
 (for the commodity type) are not maintained throughout transport from shipping point to
 destination. When temperature abuse is evident or suspect, an inspection is performed to
 determine and record the temperature or range in temperatures on each product lot.
- Grade defects These refer to the 30 commodities for which Canadian Grade Standards have been established under the Fresh Fruit and Vegetable Regulations pursuant to the Canada Agriculture Products Act (CAP Act). The grade standards for these 30 commodities are mandatory and they establish the minimum requirements for import and inter-provincial trade
- **Permanent defects** These are quality defects that do not change over time and include, but are not limited to scars and shape.
- Other quality and contract parameters such as sugar content (Brix testing), firmness (pressure testing), count per packages, labelling and others
- Witnessing of destruction or dumping An official certificate can be issued to attest that a shipment of fresh produce has been destroyed. This does not provide information related to the condition of the lot.
- Custom inspection requests and DIS information sessions are also available
- Digital images and electronic certificates are included with all services in major locations, conditions apply



Fee Schedule (Effective April 1, 2014)

	Regular Hours	Extended Regular Hours	Expanded Service Hours
Fees for Sampling / Inspection / Witnessir	ng		
First hour of service (minimum)	\$171.00	\$171.00	\$171.00
Each subsequent 15 minute period	\$42.75	\$42.75	\$42.75
Standard Overtime for 15 minutes, based on \$33/hour	N/A	\$8.25	\$8.25
Minimum for Overtime Call Back	, N/A	N/A	\$84.00
Cancellation Fee	\$70.00	\$70.00	\$70.00

Notes

- 1. Regular (working) hours means the time during which destination inspection services are normally provided by CFIA employees at a particular service location.
- 2. Extended regular hours means the time during which service is delivered immediately adjacent to regular hours. Overtime fees apply.
- 3. Expanded service (window) hours may exist in some locations and mean when services are available beyond the typical 8 hours per day and /or 5 days per week. Overtime fees apply.
- 4. The time charged for service is the total minutes for sampling, inspection and preparation of documents to the nearest 15 minutes and to a maximum of the established standard time for that type of service.
- 5. A minimum of one hour of service will be charged per visit at the client location.
- 6. After the first hour, service time will be to the nearest 15 minute increment.
- 7. Overtime surcharges do not apply within regular (working) hours even if overtime is incurred by CFIA employees.
- 8. The minimum for overtime "call back" means a minimum overtime charge applied when an Inspector works less than 3 hours overtime, either after regular working hours (i.e. the Inspector is called back from home) or during expanded service hours such as weekends and some statutory holidays where applicable.
- 9. A Cancellation Fee will be applied if the Request For Inspection is cancelled after the inspector has been dispatched and if the CFIA has incurred costs related to the cancellation.

