

COMMERCIAL FISHERIES LICENSING POLICY FOR THE GULF REGION

Department of Fisheries and Oceans

This document is available on DFO's website at

<https://www.glf.dfo-mpo.gc.ca/Gulf/Licenses-Delivery/Commercial-Fisheries-Licensing-Policy>

NOTE

- 1. All persons making use of this document are reminded that it is a policy document and as such, its content may change without prior notice. The Department of Fisheries and Oceans should be consulted for all purposes of interpreting and applying this policy.**
- 2. In this document, words importing the masculine gender shall include the feminine gender.**
- 3. Notwithstanding the provisions specified in this document, the Minister of Fisheries and Oceans retains complete discretion to make exceptions to these provisions.**
- 4. This policy document replaces any previous versions.**
- 5. The Supreme Court of Canada decision in *Saulnier* issued October 24, 2008, was not taken into account in drafting this document.**
- 6. Some terms in this document have different meanings in various Regions.**

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CHAPTER 1 – INTRODUCTION

1. LEGISLATIVE BACKGROUND

By virtue of the Constitution Act, 1867 (formerly the British North America Act, 1867), the Parliament of Canada has legislative responsibility for Canada's seacoast and inland fisheries. As a result, the federal government has constitutional authority for fisheries in Canada.

2. POLICY BACKGROUND

The Department of Fisheries and Oceans' (DFO) approach to licensing policy favours managing the fishery in a sustainable manner and managing the fishery to provide for an orderly harvesting of the fishery resource, to promote viable and profitable operations for participants and to preserve the independence of the inshore fleet by allowing inshore fish harvesters to maintain control over the inshore fishing licences they hold.

The Commercial Licensing Policy for Gulf Region and other initiatives have brought about fundamental changes to the management of fisheries and to DFO's relationship with the fishing industry. The Commercial Licensing Policy for Gulf Region and initiatives such as the Atlantic Fisheries Policy Framework (AFPF), the former Preserving of the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF) and the new inshore regulations enshrined into the Atlantic Fishery Regulations, 1985 and the Maritimes Provinces Fishery Regulations aim to give licence holders more responsibility in the decisions regarding the fisheries and to foster partnering to encourage better stewardship of the resource.

On December 9, 2020, the Government of Canada published amendments to the Atlantic Fishery Regulations, 1985 and the Maritime Provinces Fishery Regulations in Canada Gazette, Part II, some of which came into force on April 1, 2021. These amendments replaced the Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fishery policy (PIIFCAF). The PIIFCAF was discontinued as of March 31, 2021.

The amended regulations prohibit licence holders from transferring the use and control of

the rights and privileges conferred under the licence to any third party; restrict the issuance of inshore licences to licence holders who have not transferred use or control of the rights and privileges conferred under the licence; and, prohibit anyone other than the licence holder from using and controlling the rights and privileges associated with a licence.

3. PURPOSE OF POLICY DOCUMENT

This document was prepared to provide fish harvesters (individuals, Indigenous organizations, and corporations) and other interested Canadians with DFO's policy respecting commercial fishing enterprises, the registration of vessels and the issuance of commercial fishing licences in the Gulf Region.

It sets out requirements and eligibility criteria established by the Minister of Fisheries and Oceans Canada (the "Minister") with respect to the licensing of commercial fishing in the Gulf Region. The Minister retains complete discretion to make an exception to these provisions.

4. APPLICATION OF POLICY

This policy applies to the commercial fisheries for fish and marine plants in Canadian fisheries waters in the Gulf Region and in the NAFO (North Atlantic Fisheries Organization) Regulatory Area.

This policy also applies to commercial freshwater fisheries in Eastern New Brunswick, Gulf of Nova Scotia, and Prince Edward Island.

This policy applies to Canadian vessels fishing in waters other than Canadian fisheries waters.

This policy does not apply to foreign fishing vessels.

This policy does not apply to licences issued under the Aboriginal Communal Fishing Licences Regulations.

5. INDIGENOUS ACCESS

Special consideration is given to Indigenous individuals and organizations for access to commercial fisheries for economic development purposes. In this context, the policy provides for exemption from certain eligibility criteria respecting the issuance of replacement licences. This policy is to be considered in conjunction with DFO's Indigenous programs which provide, among other objectives, for participation in commercial fisheries through communal licences issued to Indigenous organizations.

6. WHAT IS A LICENCE?

6.1. General

A "licence" grants permission to do something which, without such permission, would be prohibited. As such, a licence confers no property or other rights which can be legally sold, bartered or bequeathed. Essentially, it is a privilege to do something, subject to the terms and conditions of the licence.

6.2. Fishing Licence

A fishing licence is an instrument by which the Minister, pursuant to the discretionary authority under the Fisheries Act grants permission to a person or to an Indigenous organization to harvest certain species of fish or marine plants subject to the conditions attached to the licence. This is not a permanent permission; it terminates upon expiry of the licence. The licence holder is given a limited fishing privilege; not any kind of absolute or permanent right or property.

6.3. Future Commitment

As provided under the Fishery (General) Regulations (FGR), the issuance of a document of any type to any person does not imply or confer any future right or privilege for that person to be issued a document of the same type or any other type.

6.4. Exceptions

Notwithstanding the provisions specified in the Commercial Fisheries Licensing Policy for Gulf Region, the Minister and the Regional Director General retain complete discretion to make an exception to these provisions.

7. LICENSING PRINCIPLES

The Commercial Fisheries Licensing Policy for Gulf Region is built on the following overarching principles:

- 7.1. Consistency with DFO's mandate;
- 7.2. Balance between capacity and sustainability of the resource;
- 7.3. Fostering of greater economic viability of the fishery sector;
- 7.4. Promotion of open, fair and transparent policy development;
- 7.5. Preservation of the independence of the inshore fleet;
- 7.6. Adjacency to the resource;
- 7.7. Fish harvesters' historical participation in the fishery;
- 7.8. Recognition and accommodation of regional specificities of fisheries; and
- 7.9. Maintenance of geographic distribution of economic opportunities.

CHAPTER 2 – TERMINOLOGY

“Indigenous Organization” has the same meaning as in the Aboriginal Communal Fishing Licences Regulations.

“Access” means the opportunity to harvest or use fisheries resources, generally permitted by licences or leases issued by the Minister.

“Allocation” means the amount or share of the fisheries resource or allowable catch and/or effort that is distributed or assigned to those permitted to harvest the resource.

“Area of Historical Fishing” means a fishing area where a fish harvester has participated in fisheries during a minimum of two of the last five years.

“Certification Board” means a provincial body established to conduct professional accreditation or certification of fish harvesters.

“Coastal” refers to the fishing sector where vessels may or may not be used and fish or plants are generally found close to shore.

“Core Enterprise” means a fishing unit composed of a fish harvester who is the head of the enterprise, registered vessel(s) and licences he holds, and which was designated as such by DFO in 1996.

“DFO Administrative Areas” means those portions of a DFO Region established for the purpose of administering departmental programs. In the Gulf Region, the three DFO Administrative Areas are Eastern New Brunswick (ENB), Gulf Nova Scotia (GNS) and Prince Edward Island (PEI).

“Head of Core Enterprise” means the person who is named on the licence and is in charge of the enterprise.

“Homeport” means that port assigned to a fish harvester upon registration.

“Grandfather Clause” refers to an exemption to the policy authorized on the basis of historic activity or procedure. Such an exemption expires when a replacement licence is issued to another individual.

“Inshore” means the fishing sector where fish harvesters are generally restricted to using vessels less than 19.8m (65') length over all (LOA) (notwithstanding section 48.5).

“Key Licence” means a licence listed in [Annex I](#).

“Length Overall” (LOA) means the horizontal distance measured between perpendiculars erected at the extreme ends of the outside of the main hull of a vessel. Transom platforms extending beyond the stern of a vessel for the purposes of this policy will be considered part of the main hull of a vessel.

“Limited Entry” for the purpose of this policy, refers to those fisheries where the total number of licences is limited.

“Midshore” means the fishing sector where licence holders are permitted to use vessels up to 30.5m (100') LOA, excluding licence holders in the inshore fishing sector.

“New Entrant” means a fish harvester who holds no licences and is seeking to be issued such licences.

“Offshore” refers to the fishing sector where licence holders are permitted to use vessels longer than 30.5m (100') LOA.

“Person” means an individual, a corporation or an Indigenous organization.

“Partnership” means an arrangement recognized by DFO between fish harvesters each holding similar licences for the same species and operating from the same vessel.

“Recognized Financial Institution” (RFI), means, a Canadian financial institution as defined in the Bank Act; the Business Development Bank of Canada; any of the following provincial loan boards: Fisheries Loan Guarantee Program (N&L); Direct Loans for Commercial Fishing Program (New Brunswick); Fisheries and Aquaculture Loan Board (Nova Scotia); P.E.I. Lending Agency (Prince Edward Island); Commercial

Fishery Financing Program (Québec); Programme d'allégement temporaire du remboursement des prêts aux entreprises de la pêche (Québec).

“Residence” means the main place where one actually lives and has residential ties as distinguished from his domicile (fixed permanent address for legal purposes) or a place of temporary sojourn (to stay as a temporary resident). Residential ties of an individual which would be significant for the purpose of determining residence include the individual’s dwelling place, spouse or common-law partner, and dependents.

“Resident” means a person who has continuously had his main place of residence in a defined area for a period of not less than six (6) months immediately preceding the time that residence becomes material for the purpose of licensing, except for NAFO Division 2J, where the requirement is a period of not less than three (3) years.

“Wholly owned company” means a private company under the laws applicable in Canada, for which all shares are issued to and controlled by one individual (the sole shareholder) identified as an Independent Core licence holder by Fisheries and Oceans Canada as per [Annex XI](#).

CHAPTER 3 – FISH HARVESTERS

8. REGISTRATION OF FISH HARVESTERS

8.1. Individuals participating in the commercial fishery must hold a fisher's registration.

8.1.1. Notwithstanding section 8.1, a person who is less than 16 years of age may engage in fishing without being registered.

8.2. A fisher's registration may be issued to:

8.2.1. a Canadian citizen;

8.2.2. a permanent resident (landed immigrant);

8.2.3. a foreign crewmember who is the holder of a valid work permit and working on a Canadian fishing vessel.

8.3. Notwithstanding section 8.2, individuals who have participated in the groundfish licence retirement program components of the Canadian Fisheries Adjustment and Recovery Plan (CFAR) or The Atlantic Groundfish Strategy (TAGS) are not eligible to be issued a fisher's registration.

9. CATEGORIZATION OF FISH HARVESTERS

9.1. The following categories will be assigned to holders of inshore licences in the inshore sector:

9.1.1. **Independent Core** – is the category assigned to a fish harvester holding key inshore licence(s),

9.1.2. **Core** – is the category assigned to the estate of a licence holder who is deceased but still holds key inshore licences as per section 14.1.

9.1.3. **Non-Core** – is the category assigned to a fish harvester holding inshore licence(s) and who does not meet the criteria to be assigned the Independent Core or Core categories.

9.2. In the Gulf Region, individual fish harvesters who are not assigned one of the categories listed under section 9.1 may be assigned one of the following categories:

9.2.1. **Coastal** – the category assigned to a licence holder who is not head of a core enterprise and who holds at least one key commercial coastal licence ([Annex I](#)).

9.2.2. **Estuarial** – the category assigned to a licence holder who holds only non-key commercial coastal licences.

9.2.3. **Registered Commercial Fish Harvester** – the category assigned to a registered individual participating in the commercial fishery and who does not hold any licences.

9.2.4. **Full-time** – the category assigned to an individual who holds either a midshore or an offshore licence.

9.3. Fish harvester categorization will be re-assessed when there are changes to the type of licences held by that fish harvester

9.4. Fish harvesters categorized as Independent Core and Core in the Gulf Region will be re-categorized immediately upon the relinquishment of the last key inshore licence they hold. Key licences are listed in [Annex I](#).

9.5. Fish harvesters categorized as Coastal in the Gulf Region will be re-categorized immediately upon the relinquishment of the last key coastal licence they hold. Key licences are listed in [Annex I](#).

10. REGIONAL ELIGIBILITY CRITERIA TO QUALIFY AS NEW ENTRANT

10.1. Indigenous individuals qualify as new entrants without having to meet the eligibility criteria as new entrant.

10.2. For inshore fisheries using vessels less than 19.8m (65') LOA in ENB, GNS, and inshore fisheries using vessels less than 15.2m (50') in PEI, a fish harvester must meet the following criteria to be recognized as new entrant:

10.2.1. Be recognized as a commercial fish harvester (the applicant is

responsible to provide a letter from an accredited fish harvester association recognizing him/her as a commercial fish harvester in his/her community); and,

10.2.2. While being registered, have fished commercially* during:

10.2.2.1. A minimum of two of the last five years immediately preceding the date of the application a minimum of five weeks (blocks of one week periods which do not have to be consecutive) in each of those qualifying years (including fishing contaminated fisheries).

OR

10.2.2.2. Either the current or previous fishing season a minimum of 5 weeks (blocks of one week periods which do not have to be consecutive) and have gained significant commercial fishing experience in the past (three years with a minimum of five weeks in each qualifying year).

10.2.3. Notwithstanding section 10.2.2. an individual whose commercial fishing experience was gained prior to the age of 16 are not required to have been registered during that time fishing.

*the applicant is responsible to provide documents demonstrating fishing experience.

10.3. In Prince Edward Island, for inshore fisheries using vessels 15.2m (50') to less than 19.8m (65') LOA, a fish harvester must meet the following criteria to be recognized as new entrant:

10.3.1. Be recognized as a commercial fish harvester (the applicant is responsible to provide a letter from an accredited fish harvester association recognizing him/her as a commercial fish harvester in his/her community); and,

10.3.2. While being registered, have fished commercially for at least two years out of the last five years.

10.4. For Coastal Fisheries in the Gulf Region, a fish harvester must be registered as a commercial fish harvester in order to qualify as a new entrant into the Coastal fishery.

10.5. Notwithstanding section 10.2 and 10.3, owners or majority shareholders of corporations holding licences in the 65' or greater category (midshore or offshore)

do not qualify as new entrant and are not eligible to be reissued licences in the inshore fishery.

10.6. In the Gulf Region, a fish harvester who relinquishes his Independent Core or Core categorization is exempt from meeting the new entrant eligibility criteria established in section 10.2 and 10.3 for inshore fisheries for the three-year period immediately following the date of relinquishment.

10.7. Once a fish harvester has been recognized as a qualified new entrant, the recognition would be valid for three years.

CHAPTER 4 – GENERAL APPLICATION

11. GENERAL POLICY GUIDELINES

11.1. The Fisheries Act and the regulations made under the Act govern licences to fish.

11.2. When DFO determines that a species of fish has been over fished, one or more of the following measures may be adopted:

- 11.2.1. restriction on the issuance of replacement licences to other persons;
- 11.2.2. restriction on the issuance of additional licences;
- 11.2.3. stricter vessel replacement rules;
- 11.2.4. a licence moratorium;
- 11.2.5. non-renewal of licences; or
- 11.2.6. other appropriate measures.

11.3. Current legislation provides that licences are not transferable. However, the Minister in “his absolute discretion” has for administrative efficiency prescribed in this policy those conditions or requirements under which a licence may be issued to a new licence holder as a replacement for a licence that is being relinquished.

11.4. A replacement licence may be issued upon request by the current licence holder to an eligible person recommended by the current licence holder.

11.5. The following licences may not be issued as replacement licences:

- 11.5.1. category “B” Lobster licences;
- 11.5.2. licences issued under section 52 of Fisheries (General) Regulations (scientific, educational, experimental, or public display.);
- 11.5.3. Gulf Region Herring fixed gear licences where vessels 15.2m (50') LOA and over are used;
- 11.5.4. Salmon licences;
- 11.5.5. Groundfish licences held in 1996, by heads of non-core enterprises that are not pre-1979 corporations;
- 11.5.6. bait-fishing licences, unless included in a complete licence package

being issued as a package of replacement licences as part of a single transaction and with the exception of gaspereau bait licences which may not be issued as replacement licences in the ENB Administrative Area.

11.5.7. Gulf Region Eel longline licences;

11.5.8. temporary licences;

11.5.9. Seal licences;

11.5.10. ENB Administrative Area community Rock Crab licences in Lobster Fishing Area (LFA) 25; and

11.5.11. Gulf Region Snow Crab licences for Crab Fishing Areas (CFA) 12 (18, 25, 26) issued to legal entities on behalf of fishing associations.

11.6. Inshore and coastal fisheries are listed in [Annex II](#).

11.7. Holders of groundfish gillnet licences may convert gillnets to longline hooks at a ratio of 200 hooks for every 50 fathoms of gillnets. Conversion is not reversible.

12. SIGNING OF DOCUMENTS

12.1. A licence holder must personally request licensing services and must personally sign all licensing documents.

12.2. Notwithstanding section 12.1, a licence holder may, in writing, authorize another person to act on his behalf.

12.3. Notwithstanding section 12.2, the current licence holder and the intended recipient must both personally sign the licence reissuance documents for a replacement licence. Where the licence holder is deceased, the person or persons legally appointed as executor or administrator of the deceased's estate must personally sign the licence reissuance documents for a replacement licence.

12.4. As provided under the Fishery (General) Regulations, in the case of licences held by a corporation, an officer of the corporation must sign on behalf of the corporation.

13. LICENCE RENEWAL

13.1. Except where a fishery is closed for conservation purposes, applications for renewal of licences issued for one year or less must be submitted and the fees for the licence and/or quota must be paid on a yearly basis in order to retain the privilege to be issued the licence.

Note that the following directed commercial fisheries are closed for conservation purposes:

13.1.1. Atlantic Salmon;

13.1.2. American Eel spear in the PEI Administrative Area of the Gulf Region;
and

13.1.3. Striped Bass in the Gulf Region.

13.2. Applications for renewal of licences issued for more than one year (multi-year licence) must be submitted and the fees for the licence must be paid upon expiration of the licence in order to retain the privilege to be issued the licence.

13.3. Unless provided otherwise in a species management plan, licences for the species covered by that management plan and which are not renewed will not be issued to another fish harvester.

14. DEATH OF LICENCE HOLDER

14.1. Subject to section 14.2, if the holder of a licence dies, a replacement licence may be issued, if the application is made within five years of the death of the licence holder and the licence has been continuously renewed in accordance with the provisions on renewal set out in section 13.

14.2. The application must be made by the legally appointed executor or administrator of the deceased's estate and they may recommend an eligible person as the potential licence holder.

14.3. The provisions on change of licence holder set out in sections 29, 40 and 45 apply

to an application by the person or persons legally appointed as executor or administrator of the deceased's estate.

14.4. The deceased's estate may request a Substitute Operator to operate the fishing enterprise as per the provisions of sections 23 and 35.

14.5. Licences listed under section 11.5 expire upon the death of a licence holder except temporary commercial licences that may be operated by the estate.

14.6. Upon the death of the holder of a category B Lobster licence, a substitute operator will be permitted to continue fishing for the period for which the licence is valid only.

15. LICENCES HELD BY CORPORATION IN RECEIVERSHIP

15.1. Where DFO has been notified that a corporation holding a licence(s) is put into receivership, the licence(s) held by the corporation remains valid, but will not be amended.

15.2. If a licence held by a corporation that is in receivership expires, and the officers of the corporation do not notify the Minister that the corporation is continued, the Minister will either:

15.2.1. not renew the licence in question; or

15.2.2. issue a replacement licence to an eligible applicant.

16. CHANGE IN CONTROLLING INTEREST OF CORPORATION

16.1. Subject to section 18, where there is a change in the controlling interest of a corporation that holds a licence, Ministerial approval will be required for renewal of the licences upon their expiry. Except for pre-1979 corporations, where a fish harvester previously owned the controlling interest in that corporation, inshore licences held by that corporation will not be renewed upon expiry.

17. FILING OF NOTICE OF FINANCIAL ARRANGEMENT

17.1. A licence holder may file a Notice to Department of Fisheries and Oceans of an Arrangement with a Recognized Financial Institution (Notice RFI) to notify DFO of an agreement between himself and a RFI. DFO may take the Notice RFI into consideration in determining whether to approve a request submitted by the licence holder for licence activity as defined in the Notice RFI. A completed Acknowledgement of Request for Licence Activity (Acknowledgement RFI) form must be filed to proceed with requests for licence reissuance or quota transfers for more than one fishing season.

18. FOREIGN OWNERSHIP

18.1. Subject to section 18.2, if foreign interests acquire more than 49 percent of the common (voting) shares of a Canadian owned corporation which holds fishing licences, the corporation will not be eligible to renew these licences.

18.2. If such a foreign corporation having a subsidiary in Canada which holds fishing licences is taken over by another foreign corporation based in the same country, the licences may continue to be issued to that Canadian corporation as part of the foreign corporation's continuing operation in Canada (i.e. no net increase in foreign ownership).

18.3. If foreign interests purchase a minority ownership interest in a Canadian corporation or establishes a jointly owned subsidiary with a Canadian corporation in which the Canadian corporation owns more than half the voting shares, licence eligibility will not be affected.

CHAPTER 5 – ISSUANCE OF LICENCE FOR THE INSHORE SECTOR

19. CORE POLICY CONCEPT

- 19.1. The concept adopted for the inshore sector is that of a “core group” of a maximum number of multi-licensed enterprises, all of which are headed by individual fish harvesters. The core concept was initially established in 1996, and to qualify as a member of the core group at that time, a licence holder was required to meet established regional criteria.
- 19.2. Under this concept, entry into the “core group” is possible only by replacing an existing core enterprise. The policy also promotes the concept of multi-licensed enterprises while recognizing specialized fleets.

20. INDEPENDENT CORE

- 20.1. On April 12, 2007, the Minister announced a policy to preserve the independence of the inshore fleet in Canada’s Atlantic fisheries (PIIFCAF) to ensure that the benefits from inshore fishing enterprises continue to be retained by independent fish harvesters. This policy created a new category referred to as Independent Core. This policy was replaced with inshore regulations on April 1, 2021.
- 20.2. On December 9, 2020, the Government of Canada published amendments to the Atlantic Fishery Regulations, 1985 and the Maritime Provinces Fishery Regulations in Canada Gazette, Part II, some of which came into force on April 1, 2021. These amendments replaced the Preserving the Independence of the Inshore Fleet in Canada’s Atlantic Fishery policy (PIIFCAF). The PIIFCAF was discontinued as of March 31, 2021. The amended regulations prohibit licence holders from transferring the use and control of the rights and privileges conferred under the licence to any third party; restrict the issuance of inshore licences to licence holders who have not transferred use or control of the rights and privileges conferred under the licence; and, prohibit anyone other than the licence holder from using and controlling the rights and privileges associated with a licence.

20.3. The Independent Core category was assigned to an individual where none of the licences of the enterprise is the subject of a Controlling Agreement as defined in Chapter 2. It was also assigned to new entrants at the time of licence reissuance. Throughout this licensing policy, most benefits are provided to Independent Core members.

21. FLEET SEPARATION POLICY

21.1. As per s.19(1)(b) of the Atlantic Fishery Regulations 1985, and s.29.2(1)(b) of the Maritime Provinces Fishery Regulations, in the fisheries where licence holders are restricted to using vessels less than 19.8m (65') LOA, only corporations whose sole shareholder is an Independent Core may be issued a licence.

21.2. Subject to section 21.4, corporations who are not wholly owned companies presently holding inshore licences may continue to do so, but they may not be issued new or replacement inshore licences.

21.3. Notwithstanding section 21.2, inshore fishing licences currently held by corporations that existed and held inshore fishing licences prior to 1979 (referred to as pre-1979 corporations) may be issued as replacement licences to another pre-1979 corporation which still hold inshore fishing licences or to an eligible recipient under section 31. The list of licences held by pre-1979 corporations can be found in [Annex V](#).

21.4. When all remaining inshore licences held by a pre-1979 corporation which were on the same vessel in 1978, are issued as replacement licences to a qualified new entrant as per section 29, the new licence holder will be categorized as Independent Core.

22. OWNER-OPERATOR POLICY

22.1. As per s.19 (1) of the Atlantic Fishery Regulations 1985, and s.29.2(1) of the Maritime Provinces Fishery Regulations, for fisheries restricted to using vessels less than 19.8m (65') LOA a licence can only be issued in the name of an individual

fisher, their estate, a wholly owned company, or an organization that has been issued an allocation of fish to catch for the benefit of its membership. Where such a licence has previously been issued in the name of a corporation, the licence may continue to be issued in the name of that corporation under a Grandfather clause.

22.2. As per s.19(2) of the Atlantic Fishery Regulations 1985, and s.29.2(2) of the Maritime Provinces Fishery Regulations licence holders restricted to using vessels less than 19.8m (65') LOA are required to fish the licences they have been issued personally.

22.3. Licence holders will be permitted to hold only one licence for a given species unless grandfathered or an Indigenous organization. Those licences may be valid for more than one gear type.

23. SUBSTITUTE OPERATOR

23.1. Where a licence holder or the operator named on a licence is unable to engage in fishing activity, another person may be authorized in writing to carry out the activity under the licence. Regional substitute operator guidelines can be found in [Annex VI](#).

24. ELIGIBILITY CRITERIA

24.1. With the exception of licences listed in [Annex III](#), a licence may only be issued to a person who:

24.1.1. held such a licence for a given species in the preceding calendar year and a replacement licence was not issued for that licence to another person, or

24.1.2. is issued such a licence as a replacement; or

24.1.3. obtains a new licence under section 27 or 28; and

24.1.4. meets all eligibility criteria to be issued an inshore licence under sections 18 and 19 of the *Atlantic Fishery Regulations, 1985* and sections 29.1 and 29.2 of the *Maritime Provinces Fishery Regulations* .

- 24.2. In order to be issued a new or replacement licence, an individual must be registered.
- 24.3. In the Gulf Region, subject to sections 24.4 and 24.5 below, a replacement licence may only be issued to an Independent Core fish harvester, a wholly owned company, a qualified new entrant, or an Indigenous organization whose residence is in the same DFO Administrative Area where the licence holder who is relinquishing that licence was a resident when the licence was originally issued to him.
- 24.4. In the DFO Administrative Area of ENB:
- 24.4.1. where vessels less than 15.2m (50') LOA are used, an inshore replacement licence for any species, other than Mackerel, Tuna and Snow Crab, may only be issued to an Independent Core fish harvester, a wholly owned company, an Indigenous organization, or to a qualified new entrant:
 - 24.4.1.1. whose main place of residence is located in front of the waters (adjacent) of the same LFA for which the licence is valid,
 - 24.4.1.2. whose area of historical fishing is in the waters of the LFA for which the licence is valid; and
 - 24.4.1.3. Who has actively harvested from a homeport in the Eastern New Brunswick Administrative Area for a minimum of five weeks in each of at least two of the last five years (blocks of one week periods which do not have to be consecutive).
 - 24.4.2. For licences for species other than Mackerel, Tuna and Snow Crab held by fish harvesters whose main place of residence is not located in front of the waters (adjacent) of the LFA for which the licences are valid, replacement licences may only be issued to an Independent Core fish harvester, wholly owned company, an Indigenous organization or a qualified new entrant:
 - 24.4.2.1. whose main place of residence is located in front of the waters (adjacent) of the LFA for which the licence is valid; or
 - 24.4.2.2. whose area of historical fishing is in the waters of the LFA for which the licence is valid.

- 24.5. In the DFO Administrative Area of GNS, a Rock Crab licence may only be issued as a replacement licence to an Independent Core fish harvester, wholly owned company, or Indigenous organization who holds a Lobster licence for the same LFA.
- 24.6. Notwithstanding section 24.3, a swordfish longline replacement licence may be issued to any qualified person or Indigenous organization from the Atlantic coast.
- 24.7. Notwithstanding section 24.3, a Lobster licence for LFA 27 may be issued as a replacement either to an Independent Core fish harvester, wholly owned company, or an Indigenous organization from the Maritimes Region or an Independent Core fish harvester, wholly owned company, or an Indigenous organization restricted to using vessels less than 15.2m (50') LOA from the GNS Administrative Area in the Gulf Region.
- 24.8. Unless provided otherwise under section 11.5.6, a bait-fishing licence may only be issued to a fish harvester who holds a licence to fish commercially by a method which traditionally includes the use of bait in such a fishery (e.g., Lobster, crab, groundfish hook and line, Tuna, swordfish longline, Shark, Whelk).

25. LOBSTER LICENCE CATEGORY “B”

- 25.1. Upgrading of Lobster category “B” licences is not permitted.

26. LICENCE SPLITS

- 26.1. For the purpose of this section, licence splitting refers to the situation where a fish harvester holding associated licences requests to have one of these licences issued as a replacement licence to another person. In the cases listed below, associated licences may only be re-issued together to another person unless the other person already holds the associated licence.

- 26.1.1. The splitting of swordfish longline and “other Tuna” licences is not

permitted.

26.1.2. The splitting of mobile gear groundfish and mobile gear Shrimp licences used on the same vessel is permitted provided the recipient of the Shrimp licence combines it with a mobile gear groundfish licence for the same fishery sector (inshore/midshore/offshore)

26.2. In the Gulf Region, splitting of Mackerel gill net and Herring gill net licences is not permitted.

27. ISSUANCE OF NEW REGULAR LICENCES

27.1. New inshore licences may only be issued to Independent Core fish harvesters, wholly owned companies, or to Indigenous organizations.

27.2. The issuance of new licences requires approval by the Minister unless provided otherwise under [Annex III](#) of this policy document.

27.3. For the issuance of new licences, where the number of new licences is limited and where there are more applicants than licences available, licence holders will be selected through a random draw among Independent Core fish harvesters, wholly owned companies, and Indigenous organizations who meet criteria established in consultation with appropriate industry representatives. Licence holders in exempted fleets will be eligible for the draw providing they meet the established criteria.

28. ISSUANCE OF LICENCES FOR NEW EMERGING FISHERIES

28.1. If a fishery is new, developing or underutilized, exploratory licences may be issued upon approval by the Minister.

28.2. New exploratory licences may only be issued to Independent Core fish harvesters, wholly owned companies, or to Indigenous organizations.

28.3. The issuance of an exploratory licence to a person does not imply any further commitment by the Minister to issue a similar licence to the same person upon

expiry of the exploratory licence.

- 28.4. To be eligible to be issued a similar licence upon expiration of an exploratory licence, holders of exploratory licences will be required to meet criteria set out in the New Emerging Fisheries Policy ([Annex VII](#)).
- 28.5. Holders of exploratory licences may be given priority to be issued regular licences for the same fishery.
- 28.6. For the issuance of new exploratory licences, where the number of exploratory licences is limited and where there are more applicants than licences available, licence holders will normally be selected through a random draw among Independent Core fish harvesters and Indigenous organizations who meet the criteria established in consultation with appropriate industry representatives. Licence holders in exempted fleets will be eligible for the draw providing they meet the developed criteria.

29. ISSUANCE OF REPLACEMENT LICENCES

- 29.1. A licence may only be issued as a replacement licence once in every twelve month period.
- 29.2. The issuance of a replacement licence by splitting either the gear types (e.g. groundfish longline and otter trawl) or the amount of fishing gear listed in a single inshore licence is not permitted.
- 29.3. When a Core or an Independent Core fish harvester or wholly owned company requests the issuance of the licences they hold as replacement licences to a qualified new entrant, ALL licences held in their name must be issued as a package.
- 29.4. Subject to section 11.5, inshore licences held by a Non-Core, Core or Independent Core fish harvester, wholly owned company, or Indigenous organizations may only be issued as replacement licences to an Independent Core fish harvester or Indigenous organization.

29.5. In addition to other provisions in this section, the issuance of replacement licences is subject to the provisions of the inshore regulations found in the *Atlantic Fisheries Regulations* and the *Maritime Provinces Fishery Regulations*.

29.6. Where a restriction on issuance of replacement licences is in effect, licences may only be re-issued in accordance with such a restriction. A list of restrictions (freeze areas) can be found in an [Annex VIII](#).

29.7. In the Prince Edward Island Administrative Area, licences may only be issued as replacement licences to an Independent Core fish harvester, a wholly owned company, an Indigenous organization, or to a qualified new entrant in the same vessel category as listed below:

29.7.1. Independent Core fish harvesters using vessels less than 15.2m (50') LOA;

29.7.2. Independent Core fish harvesters using vessels less than 13.7m (45') LOA and who were part of the group holding an ITQ groundfish quota when the program was established; or

29.7.3. Independent Core fish harvester using vessels 15.2m (50') LOA to less than 19.8m (65') LOA.

29.8. In the Prince Edward Island Administrative Area, an enterprise which holds licences in more than one vessel category (for example less than 15.2m (50') LOA, 15.2m to less than 19.8m (50' to less than 65') LOA, and 19.8m (65') LOA or longer) will be deemed to belong to the largest vessel category. In addition, licences held by these enterprises may only be issued as replacement licences to enterprises in the same vessel category.

29.9. Replacement licences for Mackerel fixed gear gill net may only be issued to an Independent Core fish harvester, wholly owned company, or Indigenous organizations who holds Herring fixed gear gill net licence for a vessel less than 15.2m (50') and replacement handline licences may be issued to Independent Core fish harvesters, wholly owned companies, or an Indigenous organizations.

29.10. Upon the reissuance of a Lobster licence, the homeport of the recipient of the licence will be changed to the same homeport as the previous licence holder.

30. AUTHORIZED OVERLAPS

For the purpose of this section, Historical Overlap Privilege refers to those specific areas beyond home sectors where inshore fishers are permitted to continue fishing for groundfish as a result of participation for a two year period during the years 1978 to 1980. (This qualifying period was extended to the years 1980 and 1981. when it could be shown that commitments had been made to have a vessel replaced prior to 1980.)

30.1. Subject to subsections 30.2 to 30.4, all conditions specified in a licence (i.e. area, gear type. etc.) will be maintained upon the issuance of a replacement licence.

30.2. Subject to section 30.3, historical overlap privileges under the Sector Management Policy for Canada’s Atlantic Inshore Groundfish Fishery ([Annex IV](#)) will expire when:

- 30.2.1. a replacement groundfish licence is issued to another individual;
- 30.2.2. the vessel is lost through repossession by a lending authority; or
- 30.2.3. the vessel is replaced.

30.3. Historical overlap privileges will not expire when a vessel is lost through fire, sinking, or through other circumstances beyond the licence holder’s control.

For the purpose of this section, Authorized Overlap refers to those specific areas beyond home sectors where inshore fish harvesters are permitted to continue fishing as a result of their home port being located in the extremities of their sector in 1981 specifically:

Home Port Division	Authorized Overlap
4T	4Vn
4Vn	4T
3Pn	3Ps
3Ps	3Pn
4RS	2J
2J	4RS

30.4. Authorized overlaps will, under the Sector Management Policy, expire when:

30.4.1. a replacement groundfish licence is issued to a person residing in an alternate homeport division (e.g. 4Vn to 4X); or

30.4.2. the present groundfish licence holder takes up residence in an alternate home port division.

31. EXEMPTED FLEETS

31.1. The inshore regulations, Fleet Separation and Owner Operator policies do not apply to licences held by Indigenous organizations.

CHAPTER 6 – ISSUANCE OF LICENCE FOR THE COASTAL SECTOR

32. COASTAL

32.1. The coastal sector includes the fisheries as identified in [Annex II](#).

33. FLEET SEPARATION POLICY

As per s.19(1)(b) of the Atlantic Fishery Regulations 1985, and s.29.2(1)(b) of the Maritime Provinces Fishery Regulations, in the coastal fishery only corporations with all shares belonging to one individual may be issued a coastal licence.

33.1. Corporations who are not wholly owned companies presently holding coastal licences may continue to do so, but they may not be issued new or replacement coastal licences.

34. OWNER-OPERATOR POLICY

34.1. As per s.19 (1) of the Atlantic Fishery Regulations 1985, and s.29.2(1) of the Maritime Provinces Fishery Regulations, for coastal fisheries a licence can only be issued in the name of an individual fisher, their estate, or a wholly owned company. Where such a licence has previously been issued in the name of a corporation, the licence may continue to be issued in the name of that corporation under a Grandfather clause.

34.2. As per s.19(2) of the Atlantic Fishery Regulations 1985, and s.29.2(2) of the Maritime Provinces Fishery Regulations coastal licence holders are required to fish the licences they have been issued personally.

34.3. Licence holders in the coastal fisheries will be permitted to hold only one licence for a given species unless grandfathered or are an Indigenous organization. Those licences may be valid for more than one gear type.

35. SUBSTITUTE OPERATOR

- 35.1. Where a licence holder or the operator named on a licence is unable to engage in fishing activity, DFO may authorize in writing another person to carry out the activity under the licence. Regional guidelines for the designation of substitute operators can be found in [Annex VI](#).

36. ELIGIBILITY CRITERIA

- 36.1. With the exception of licences listed in [Annex III](#), a licence may only be issued to a person who:

36.1.1. held such a licence for a given species in the preceding calendar year and a replacement licence was not issued for that licence to another person; or

36.1.2. is issued such a licence as a replacement; or

36.1.3. obtains a new licence under sections 38 or 39.

- 36.2. In the Gulf Region, subject to section 36.3, a replacement licence may only be issued to an eligible fish harvester, wholly owned company, qualified new entrant, or an Indigenous organization whose residence is in the same DFO Administrative Area where the licence holder who is relinquishing that licence was a resident when the licence was originally issued to him.

- 36.3. In the DFO Administrative Area of ENB:

36.3.1. a coastal replacement licence for any species may only be issued to an eligible fish harvester, wholly owned company, an Indigenous organization, or to a qualified new entrant whose main place of residence is located in front of the waters (adjacent) of the same LFA for which the licence is valid.

36.3.2. For licences held by fish harvesters whose main place of residence is not located in front of the waters (adjacent) of the LFA for which the licences

are valid, replacement licences may only be issued to an eligible fish harvester, wholly owned company, an Indigenous organization, or a qualified new entrant:

- 36.3.2.1. whose main place of residence is located in front of the waters (adjacent) of the LFA for which the licence is valid; or
- 36.3.2.2. whose area of historical fishing is in the waters of the LFA for which the licence is valid.

37. LICENCE COMBINATIONS

37.1. In the PEI Administrative Area of the Gulf Region, a replacement licence for the same species may be issued upon request by the current licence holder to:

- 37.1.1. an existing American Eel licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of gear is 35 trap/fyke nets. Fish harvesters with only one gear type can combine licences to have a licence for both nets and spears but these may not subsequently be split; or
- 37.1.2. an existing Silverside licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of gear is 2 trap and/or box nets; or
- 37.1.3. an existing Smelt licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of gear is 35 gill nets or 15 trap, box and/or bag nets; or
- 37.1.4. an existing gaspereau licence holder to combine licences up to the maximum allowable amount for trap/box nets. The maximum amount of gear is 4 trap/box nets.

37.2. In the ENB Administrative Area of the Gulf Region, a replacement licence for the same species may be issued upon request by the current licence holder to:

- 37.2.1. another Eel licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of gear is 35 single fyke nets.

37.2.2. another Smelt licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of gear is 15 box nets or 15 bag nets or a total of 15 when the two are combined. If gill nets are listed in the replacement licence, the maximum allowable amount of gear is 14 box nets or 14 bag nets or a total of 14 when the two are combined.

37.2.3. another gaspereau licence holder to combine licences up to the maximum allowable amount per gear type. The maximum allowable amount of traps nets for the following watersheds is:

- St-Charles – 4
- Richibouctou – 4
- Shediac – 5
- Aboujagane – 4
- Scoudouc – 4
- Kouchibouguacis – 6
- Northwest Miramichi – 3
- Miramichi – 2
- Black – 4
- Bouctouche – 3
- Cocagne – 3
- Little Bouctouche – 5

Gaspereau licence combinations for watersheds not listed above are not authorized.

38. ISSUANCE OF NEW REGULAR LICENCES

38.1. New coastal licences will only be offered to Independent Core fish harvesters, wholly owned companies, Coastal fish harvesters, or Indigenous organizations.

38.2. The issuance of new licences requires approval by the Minister unless provided otherwise under [Annex III](#) of this policy document.

38.3. For the issuance of new coastal licences, where the number of new licences is limited and where there are more applicants than licences available, licence holders will be selected through a random draw among eligible fish harvesters who meet criteria established in consultation with appropriate industry representatives.

39. ISSUANCE OF LICENCES FOR NEW EMERGING FISHERIES ([ANNEX VII](#))

- 39.1. If a fishery is new, developing or underutilized, exploratory licences may be issued upon approval of the Minister.
- 39.2. New exploratory licences may only be issued to Independent Core fish harvesters, Coastal fish harvesters, wholly owned companies, or to Indigenous organizations.
- 39.3. The issuance of an exploratory licence to a person does not imply any further commitment by the Minister to issue a similar licence to the same person upon expiry of the exploratory licence.
- 39.4. To be eligible to be issued a similar licence upon expiration of an exploratory licence, holders of exploratory licences will be required to meet criteria set out in the New Emerging Fisheries Policy ([Annex VII](#)).
- 39.5. Holders of exploratory licences may be given priority to receive regular licences for the same fishery.
- 39.6. For the issuance of new coastal exploratory licences, where the number of exploratory licences is limited and where there are more applicants than licences available, licence holders will usually be selected through a random draw among Independent Core fish harvesters, Coastal fish harvesters and Indigenous organizations who meet the criteria established in consultation with appropriate industry representatives.

40. ISSUANCE OF REPLACEMENT LICENCES

- 40.1. A licence may only be issued as a replacement licence once in every twelve month period.
- 40.2. In the DFO Administrative Areas of PEI and GNS, the issuance of a replacement licence by splitting either the gear types or the amount of fishing gear listed on a

coastal licence is not permitted.

40.3. In the ENB Administrative Area, splitting of the amount of gear between licence holders for the same specie is authorized only for Smelt and for Gaspereau, as outlined below:

40.3.1. Two current smelt licence holders may split the number of box nets or bag nets between them, as long as the holder decreasing the amount of gear has more than 8 box nets, or more than 8 bag nets or more than 8 box or bag nets, when the two types are combined, or, if the licence includes gill nets, the number of box nets, bag nets or box and bag nets combined is more than 7. The licence holder decreasing the number of box and/or bag nets on the licence they hold cannot be left with less than 8, and anyone increasing their number of box and/or bag nets cannot have more than 15;

40.3.2. A fisher who would like to give up the smelt fishing licence they hold may split the gear among several fishers, as long as all the gear is disposed of simultaneously and the recipients are current smelt fishing licence holders who, once the split gear is received, will do not have more than 15 box nets or 15 bag nets or 15 box or bag nets, when the two types are combined.

40.3.3. Two current gaspereau licence holders may split the number of gear between them. The split is only authorized for licence holders having traps valid in more than one watersheds and must include all gears valid for a same watershed. The licence holder increasing their number of gear cannot exceed the maximum allowable amount of gear specified in item 37.2.3.

40.3.4. A fisher who requests an increase in the amount of gear on the smelt or gaspereau licence they hold cannot request a gear split, which would result in a reduction in the amount of gear, for a period of twelve months.

40.4. Except as authorized below in this section, all coastal licences may be issued as replacement licences to a qualified new entrant only as a package.

40.4.1. A replacement Eel licence authorized to use more than 35 fishing gears

may only be reissued with a maximum of 35 fishing gears.

40.4.2. In the ENB Administrative Area, a replacement Smelt licence may only be issued to an eligible fish harvester as outlined below:

40.4.2.1. a licence valid for more than 15 box/bag/trap nets, or 14 trap/box/bag nets when combined with gill nets can only be reissued as a replacement licence with a maximum of 15 box/bag/trap nets or with 14 box/bag/trap nets when combined with gill nets.

40.4.2.2. a licence valid for less than 8 box/bag/trap nets, or 7 box/bag/trap nets when gill nets are listed on the licence cannot be reissued as a replacement licence unless to a new entrant who receives all the other licences held by a current fisher, including the smelt licence, or to a licence holder who simultaneously obtain replacement licences from several current fishers in order to acquire the minimum amount of gear.

40.4.3. In the PEI Administrative Area, a replacement Silverside licence authorized to use more than 2 trap and/or box nets may only be reissued with a maximum of 2 trap and/or box nets.

40.4.4. In the PEI Administrative Area, a replacement Smelt licence authorized to use more than 35 gill nets may not be reissued with more than 35 gill nets.

40.5. Subject to sections 11.5 and 40.4, coastal licences may only be issued as replacement licences to a coastal fish harvester, an Independent Core fish harvester, a wholly owned company, a new entrant or Indigenous organization.

40.6. In the Kouchibouguac National Park of New Brunswick,

40.6.1. In order to be eligible to obtain an Eel, Smelt or gaspereau licence through the issuance of a replacement licence, a fish harvester must have

- been the holder of an Eel, Smelt or gaspereau licence validated for the waters inside the boundaries of the Park in 1967, 1968 or 1969; or
- fished from Cape St-Louis or Loggiécroft wharves and been registered as a commercial fisher harvester in 1979.

40.6.2. a fish harvester having relinquished their privilege to be issued an Eel, Smelt or gaspereau licence to another fish harvester will not be eligible to obtain another Eel, Smelt or gaspereau licence for the Park.

CHAPTER 7 – ISSUANCE OF LICENCE FOR THE MIDSHORE AND OFFSHORE SECTORS

41. ELIGIBILITY CRITERIA

41.1. A licence may only be issued to a person who:

- 41.1.1. held such a licence for a given species in the preceding calendar year and a replacement licence was not issued for that licence to another person; or
- 41.1.2. is issued such a licence as a replacement; or
- 41.1.3. is issued a new licence through the procedures outlined in section 42 or 44,
- 41.1.4. in the case of a corporation, is controlled (on the basis of more than 50 percent of voting shares) by Canadian Citizens or permanent residents of Canada.

41.2. Midshore or offshore fishing licences may be issued to individuals, corporations or Indigenous organizations.

42. ISSUANCE OF NEW REGULAR MIDSHORE AND OFFSHORE LICENCES

42.1. For the issuance of new licences, eligibility criteria and applicant selection mechanisms will be developed on a case by case basis.

42.2. A new offshore groundfish licence may be issued as a result of obtaining at least 1,000t of Enterprise Allocations (EAs) and one vessel designation from an existing offshore groundfish licence holder who retains at least 1,000t of EAs and at least one vessel designation.

42.3. Squid licences may be issued to any midshore and offshore groundfish licence holder.

43. ISSUANCE OF LICENCES FOR NEW EMERGING FISHERIES ([ANNEX VII](#))

- 43.1. Eligibility criteria and applicant selection mechanisms for new exploratory licences are developed as per the New Emerging Fisheries Policy ([Annex VII](#))
- 43.2. The issuance of an exploratory licence to a person does not imply any further commitment by the Minister to issue a similar licence to the same person upon expiry of the exploratory licence.
- 43.3. To be eligible to be issued a similar licence once an exploratory licence expires, holders of exploratory licences will be required to meet criteria set out as per the New Emerging Fisheries Policy ([Annex VII](#)).
- 43.4. Holders of exploratory licences may be given priority to receive regular licences for the same fishery.
- 43.5. In the Gulf Region, persons who held a Mackerel exploratory purse seine licence in the previous year are eligible to renew the exploratory licence for the current year subject to a review at the regional level.

44. ISSUANCE OF LICENCES FOR WATERS OUTSIDE CANADIAN FISHERIES WATERS

- 44.1. Under Section 68 of the Fishery (General) Regulations, the Minister may issue a licence (Section 68 licence) authorizing the use of a vessel that is subject to the jurisdiction of Canada in fishing or trans-shipping fish in waters other than Canadian fisheries waters if:
 - 44.1.1. the fishing or trans-shipping of fish carried out under the authority of the licence would not contravene or undermine any international fisheries conservation scheme; and
 - 44.1.2. in the case where the fishing or trans-shipping of fish is to be carried out in waters that are subject to the jurisdiction of another state, the fishing or

trans-shipping of fish by that vessel is authorized by a competent authority of that state.

44.2. Decisions on the issuance of Section 68 licences will be made on a case by case basis.

44.3. The issuance of Section 68 licences to a person does not imply any further commitment by the Minister to issue a similar licence to the same person upon expiry of that licence.

44.4. A licence to fish or trans-ship fish in waters other than Canadian fisheries waters may only be issued to a vessel that is subject to the jurisdiction of Canada.

44.5. Applications for a licence to fish or trans-ship fish in waters other than Canadian fisheries waters will be reviewed on a case by case basis including taking into consideration:

44.5.1. Canada's international obligations;

44.5.2. any applicable conservation and management measures adopted by Regional Fisheries Management Organization; and

44.5.3. the applicant's compliance with fishing regulations and management plans.

45. ISSUANCE OF REPLACEMENT LICENCE

45.1. All conditions specified in a licence (i.e. area, gear type, etc.) will be maintained upon the issuance of a replacement licence.

45.2. The issuance of a replacement licence by splitting either the gear types (e.g. groundfish longline and otter trawl) or the amount of fishing gear listed on a single licence is not permitted.

45.3. All requests for the issuance of replacement licences will be reviewed on a case by case basis.

46. SPLITTING OF LICENCE HOLDING

46.1. For the purpose of this section, licence splitting refers to the situation where a fish harvester holding associated licences requests to have one of these licences issued as a replacement licence to another person. In the cases listed below, associated licences may only be re-issued together to another person unless the other person already holds the associated licence.

46.1.1. In the Gulf Region, the splitting of midshore mobile gear groundfish and mobile gear Shrimp licences used on the same vessel is not permitted for licence holders unless the recipient of the Shrimp licence already holds a mobile gear groundfish licence for the same vessel size class.

46.1.2. The splitting of swordfish longline and “other Tuna” licences is not permitted.

CHAPTER 8 – VESSELS

47. VESSEL REGISTRATION

- 47.1. Unless provided otherwise in the Atlantic Fishery Regulations, 1985, or the Maritime Provinces Fishery Regulations, every vessel used in a commercial fishery must be registered in the name of the licence holder using the vessel or for whom the vessel is being used.
- 47.2. A vessel may only be registered in the name of one licence holder at a given time.
- 47.3. A vessel may be registered upon receipt of the application, the payment of the proper fee and the provision of the required data on the vessel characteristics by the applicant.
- 47.4. Vessel Registrations may only be issued to persons who hold at least one licence that requires the use of a vessel.
- 47.5. Only Canadian vessels may be given a vessel registration number by DFO. When a vessel is permanently replaced, a separate vessel registration number must be assigned to the new vessel.
- 47.6. The licence holder is responsible to ensure that the vessel he intends to operate meets approved vessel replacement rules.
- 47.7. A survey or measurement of the vessel may be required from the licence holder at their expense prior to registration.

48. REPLACEMENT RULES FOR INSHORE VESSELS

- 48.1. The replacement of a vessel utilized in more than one fishery (e.g. groundfish and Shrimp) will be governed by the most restrictive vessel replacement rules.

48.2. If a vessel less than 19.8m (65') LOA is replaced with one of a smaller size than the vessel being replaced, a licence holder will retain their eligibility to re-enter in the future a vessel as large as the size of vessel associated with that licence in 1992.

48.3. Groundfish Competitive Fleet

48.3.1. The holder of a competitive groundfish licence authorized to use a vessel less than 13.7m (45') LOA may not have the licence amended to use a vessel 13.7m (45') LOA or longer.

48.3.2. The holder of a competitive groundfish licence authorized to use a vessel less than 19.8m (65') LOA may not have the licence amended to use a vessel 19.8m (65') LOA or longer.

48.4. Groundfish ITQ Fleet

48.4.1. The holder of a groundfish ITQ licence authorized to use a vessel less than 19.8 (65') LOA may not have the licence amended to use a vessel 19.8 (65') LOA or longer.

48.5. Snow Crab Area 12 Traditional Fleet in ENB and GNS

48.5.1. the holder of a Snow Crab Area 12 licence who is a member of the traditional fleet in ENB and GNS is authorized to use a vessel less than 30.5 m (100') LOA may not have the licence amended to use a vessel 30.5 m (100') LOA or longer.

48.6. Snow Crab Area 12 in ENB, GNS and PEI

48.6.1. the holder of a Snow Crab Area 12 licence who is not a member of the traditional fleet in ENB and GNS is authorized to use a vessel less than 19.8m (65') LOA may not have the licence amended to use a vessel 19.8m (65') LOA or longer.

48.7. Snow Crab Area 19

48.7.1. the holder of a Snow Crab Area 19 licence who is not a member of the

traditional fleet in ENB and GNS is authorized to use a vessel less than 13.7m (45') LOA may not have the licence amended to use a vessel 13.7m (45') LOA or longer.

48.8. All Other Species

48.8.1. A licence authorizing the use of a vessel less than 13.7m (45') LOA may not be amended to use a vessel 13.7m (45') LOA or longer.

48.8.2. A licence authorizing the use of a vessel 13.7m (45') LOA to less than 15.2m (50') LOA may not be amended to use a vessel 15.2m (50') LOA or longer.

48.8.3. A licence authorizing the use of a vessel 15.2m (50') LOA to less than 19.8m (65') LOA may not be amended to use a vessel 19.8m (65') LOA or longer.

49. SUBSTITUTE VESSELS

49.1. All Herring licence holders who require a substitute vessel must do so by using a vessel already registered in their respective Administrative Area.

50. REPLACEMENT RULES FOR MIDSHORE AND OFFSHORE VESSELS

50.1. The holder of a midshore licence may only be authorized the use of vessels less than 30.5m (100').

50.2. Subject to section 50.1 and section 51, the holder of a midshore groundfish licence participating in the Midshore EA Program may only be authorized to use only one vessel per vessel authorized on the licence.

50.3. The holder of any offshore licence may be authorized to use vessels of any length.

50.4. Subject to section 50.3 and section 51, the holder of an offshore licence may only

be authorized to use one vessel per vessel authorized on the licence.

50.5. Vessel length is the only criteria applicable when a vessel 19.8m (65') LOA and over is replaced.

50.6. Notwithstanding subsection 50.1, the holder of a Herring purse seine licence may be authorized to use vessels of any length, but only one vessel per vessel authorized on the licence.

50.7. A wetfish vessel may be replaced by a freezer vessel.

51. TEMPORARY VESSEL REPLACEMENT PROGRAM (TVRP) FOR GROUND FISH

51.1. The use of vessels less than 19.8m (65') LOA by midshore or offshore EA groundfish licence holders must be for a well-defined period of time. A vessel less than 19.8m (65') LOA will be identified on a midshore or offshore EA groundfish licence for a minimum period of two months.

51.2. A maximum of two vessels less than 19.8m (65') LOA will be permitted to replace one midshore or one offshore vessel at any one time, subject to the following exceptions:

51.2.1. Midshore and offshore companies may replace one offshore or midshore vessel with more than two vessels less than 19.8m (65') LOA providing that the replacement vessels less than 19.8m (65') LOA are attached to a groundfish licence issued in the name of the company.

51.2.2. If the replacement is a “one for one” replacement, then the less than 19.8m (65') LOA vessel would have access to the offshore or midshore competitive quotas.

51.2.3. If the replacement is “two for one” replacement, then the less than 19.8m (65') LOA vessels would not have access to the offshore or midshore competitive quotas.

51.2.4. Vessels less than 19.8m (65') LOA participating in the program will be subject to the same licence conditions or requirements as the midshore or

offshore vessels being replaced.

- 51.2.5. While inshore vessels are fishing under a midshore or offshore EA groundfish licence in the context of the Temporary Vessel Replacement Program, these vessels must be removed from any inshore licence.

52. USE OF FOREIGN VESSELS

The following provisions apply to the temporary replacement of Canadian fishing vessels with foreign vessels.

- 52.1. This policy applies when Canadian vessels are permanently removed, or rendered unserviceable (e.g., sinking, fire, collision, stranding) for a minimum period of four months. The chartering of a foreign vessel is not permitted for the purpose of replacing a Canadian vessel which has been removed from the fishery for financial or commercial reasons (e.g., bankruptcy or sheriff's seizure).
- 52.2. The leasing of foreign vessels requires Ministerial approval.
- 52.3. Foreign vessels approved under this policy will be issued licences under the Coastal Fisheries Protection Act and regulations made under this Act.
- 52.4. A maximum period of two years duration may be allowed for the lease of a foreign vessel.
- 52.5. The leased foreign vessel must be crewed by either Canadian citizens or permanent residents, except where the Minister approves a specified number of non-Canadian crew members, excluding foreigners holding a valid work permit issued by Service Canada.
- 52.6. The leased vessel is to be of similar catching capacity and must operate in accordance with the same fishing plan, and the catch must be delivered to the same processing plant or plants.
- 52.7. Freezer trawlers may be leased to replace wetfish trawlers, but the processing (filleting) of traditional groundfish species at sea will not be permitted.

52.8. All foreign vessels will be required to carry an observer approved by the DFO at the expense of the licence holder.

53. VESSEL REPOSSESSION

53.1. Subject to section 53.2 licence(s) remain(s) with a licence holder when their vessel has been repossessed.

53.2.

53.2.1. On receipt of written notification from a government lending authority (e.g., Provincial Loan board) of vessel repossession, all fishing licences issued in respect of the vessel involved will remain valid, but will not be amended.

53.2.2. The Minister will maintain the eligibility to the fishing licence(s) in the name of the present licence holder for a maximum period of 60 days. This period is intended to enable the licence holder to settle or renegotiate their loan.

53.2.3. Following the expiry of the 60-day period, and in the absence of notification of a settlement from the government lending authority involved, the licence holder will lose their eligibility to renew the licence(s) held in respect of the vessel repossessed and the Minister will either:

- not reissue the licence(s) in question; or
- issue a replacement licence(s) to eligible applicant(s).

53.2.4. In the case of vessel repossessions involving enterprise allocation,

- licence holders with one vessel: any licence and enterprise allocations held will revert to the Minister for possible reallocation.
- licence holders with more than one vessel: a portion of the licence holder's enterprise allocations equivalent to the average historical catch of the vessel repossessed will revert to the Minister for possible reallocation.

53.3. For the purpose of section 53, the expression “Government Lending Authority” means a governmental authority which provides guarantees for loans granted by private institutions.

CHAPTER 9 – SEAL LICENSING POLICY FOR EASTERN CANADA

This Seal Licensing Policy, made under the authority of the *Fisheries Act* and its Regulations, forms part of the Commercial Fisheries Licensing Policy for Eastern Canada and should be interpreted accordingly.

NOTE: In this policy, the expression "hunting for" has the same meaning as the expression "fishing for" as used in the *Marine Mammal Regulations*.

54. APPLICATION OF THE POLICY

54.1. This policy applies to the registration of fishing vessels and the issuance of licences to all persons hunting (fishing) for, taking, or killing Seals or otherwise engaging in Sealing operations throughout the Canadian Fisheries Waters on the Atlantic Coast and, more specifically, the Sealing Areas 4 to 33 and the northern Quebec and Labrador portions of Sealing Area 3.

55. INTERPRETATION

55.1. "Beneficiary" means a person enrolled as a beneficiary under the James Bay and Northern Quebec Agreement.

55.2. "Sealing" means, for the purpose of the present policy, the hunting (fishing) for, killing and skinning of Seals, the handling and transporting of raw Seal pelts, meat or carcasses from the place where they are killed to the land and the transporting of persons engaged in Sealing to and from the killing area, and includes searching for Seals from helicopters and other aircraft.

55.3. "Sealing Licence" means that licence which is issued in respect of hunting (fishing) for Seals under the authority of the *Marine Mammal Regulations*.

55.4. "Subsistence" means for personal use or for community use as defined in Chapter 24 of the James Bay and Northern Quebec Agreement.

56. EXEMPTIONS

- 56.1. An Indian or Inuk other than a Beneficiary may, without a licence, hunt (fish) for Seals for food, social and ceremonial purpose.
- 56.2. A Beneficiary may, without a licence, hunt (fish) for Seals for subsistence purposes within the area covered by the agreement under which he is enrolled.
- 56.3. A person other than a person referred to in section 55.1 or 55.2 above, residing immediately adjacent to any of Sealing Areas 1 to 4 may hunt (fish) for Seals without a licence in those Sealing Areas for food, clothing and personal utilization purposes.

57. TYPE OF LICENCE

- 57.1. Professional Sealing licences are those licences issued to persons, who may engage in Sealing on their own and who may supervise assistant Sealers.
- 57.2. Assistant Sealing licences are those licences issued to persons, who do not meet the eligibility criteria to receive professional Sealing licences and who may not engage in Sealing except under the supervision of a person who holds a professional Sealing licence.
- 57.3. Personal use Sealing licences are those licences issued to authorize the taking of up to six Seals a year for personal use only.

58. ELIGIBILITY

- 58.1. Professional Sealing licences may only be issued to persons, who held a professional Sealing licence during the previous year.
- 58.2. Assistant Sealing licences may only be issued to persons, who are not eligible to receive a professional Sealing licence and who are in possession of a written

confirmation from a professional Sealer to the effect that the assistant Sealer will be hunting (fishing) under the supervision of this professional Sealer during the following Sealing season. After two years and successful completion of the above, the assistant Sealer will be eligible for a professional Sealer's licence.

58.3. Notwithstanding section 57.1, professional Sealing licences may be issued to persons who meet the following conditions:

58.3.1. Are 18 years of age or more; and

58.3.2. Have been issued assistant Sealing licences and have actively participated in the Seal fishery during the two preceding years.

58.4. Notwithstanding sections 57.1 and 57.3, professional Sealing licences may be issued to Beneficiaries, Indians or Inuit, who are recognized as commercial hunters by their community or their band. Regarding Beneficiaries, licences must be issued according to article 24.3.18 of the James Bay and Northern Quebec Agreement.

58.5. Licences may specify any one or more of the following conditions:

58.5.1. the species and the stage of development of Seals and quantities thereof that are permitted to be taken;

58.5.2. the waters in which Sealing is permitted to be carried out;

58.5.3. the period during which Sealing is permitted to be carried out;

58.5.4. the vessel that is permitted to be used;

58.5.5. the person or persons permitted to operate the specified vessel;

58.5.6. the type and quantity of Sealing gear and equipment that is permitted to be used and the manner in which it is to be used;

58.5.7. the specific location at which Sealing gear is permitted to be set;

58.5.8. whether Seals taken are for personal use only and may not be sold, bartered or traded;

58.5.9. whether Seal carcasses are to be landed; and

58.5.10. the information that shall be reported to DFO.

58.6. The holder of a Sealing licence may not be authorized to use a vessel 19.8m (65') LOA or longer.

58.7. Where a vessel is being used in Sealing, all members of the vessel crew including the captain/operator must hold valid Sealing licences and at least one member of the crew must hold a professional Sealing licence.

58.8. Where a vessel longer than 10.7m (35') LOA is used, the vessel must be registered and specified as a condition on the professional Sealing licence of a person who is on board the vessel during the Sealing operations.

58.9. Personal use Sealing licences may be issued to:

58.9.1. individuals who held a personal use Sealing licence the previous year and who hold a valid provincial hunting licence for big game or a hunter's capability certificate; or

58.9.2. individuals who held or were eligible to hold a professional or assistant Sealing licence the previous year and who hold a valid provincial hunting licence for big game or a hunter's capability certificate; or

58.9.3. individuals, 18 years of age or older, residing immediately adjacent to established Sealing areas throughout Newfoundland, the Quebec Upper and Lower North Shore, the Gaspé Peninsula, the Magdalen Islands, New Brunswick, Prince Edward Island, and Nova Scotia who hold a valid provincial hunting licence for big game or a hunter's capability certificate and have attended a mandatory information session.

58.10. Mandatory Humane Harvesting

58.10.1. It is mandatory that all Commercial Seal harvesters (Professional and Assistant) be trained in the three-step process of Humane Harvesting through an accredited DFO Humane Harvesting course.

58.10.2. Participation in Personal Use Humane Harvesting training cannot be used to substitute for the successful completion of the mandatory Commercial Humane Harvesting training.

CHAPTER 10 - APPEAL PROCESS AND PROCEDURES

59. ACCESS TO APPEAL SYSTEM

- 59.1. Participants in the Gulf Region's inshore and coastal commercial fishery who in their case are not satisfied with licensing decisions made by DFO have the opportunity to request an appeal.
- 59.2. Reasons for appealing a licensing decision must relate to an alleged incorrect application of licensing policies, extenuating circumstances or a change in policy. Discussions on whether a policy is reasonable or appropriate should be addressed through the fisheries management advisory process. Decisions regarding access or allocation do not fall within the purview of the licensing appeal system.
- 59.3. Appeal requests must be made within three years from the date of a licensing decision or a change in policy.

60. APPEAL PROCESS

- 60.1. The Appeal Process consists of two separate levels:
- The Regional Licensing Appeal Committee (RLAC); and
 - The Atlantic Fisheries Licence Appeal Board (AFLAB).
- 60.2. Regional Licensing Appeal Committee (RLAC):
- 60.2.1. RLAC is composed of senior DFO officials at regional offices. This Committee reviews claims, including all pertinent information, and makes a recommendation to the Regional Director General (RDG) who then makes a decision. All requests for appeals should go through this first level.
- 60.2.2. If a fish harvester wishes to make a formal appeal, the appeal must be in writing, clearly outlining the reasons for the appeal and accompanied by all relevant information. Information can be submitted in person or sent by mail to the Regional licensing administrator at the fish harvester's regional

DFO office.

- 60.2.3. After the appeal request has been received by DFO, appellants will be notified whether they will be granted an appeal based on reasons provided under section 59.2. Appellants will also be notified in writing of the date, time and location of their appeal hearing.
- 60.2.4. If an appellant has other documents or relevant information not previously provided, then the appellant should provide a copy of the information to DFO at least fifteen days before examination of the case/hearing.
- 60.2.5. An appellant has the right to appear in person and/or to be represented by another person at all appeal levels provided this other person does not exercise any control over the disposition of the licence in question.
- 60.2.6. Copies of all the departmental information related to an appeal will be sent to the appellant prior to the hearing.
- 60.2.7. An appellant will be notified in writing of the decision of the RDG following the RLAC hearing.
- 60.2.8. If the decision of the RDG is negative, the appellant may appeal to the second and final level, AFLAB. Appellants will be informed of the details respecting how an appeal may be made to AFLAB. Cases will not automatically be heard at the second level unless an application is made.

60.3. Atlantic Fisheries Licence Appeal Board (AFLAB)

- 60.3.1. AFLAB is at arm's length from DFO. AFLAB is formed of members, independent from DFO, appointed by the Minister of Fisheries and Oceans and includes a non-voting departmental official. AFLAB makes recommendations to the Minister of DFO who, in turn makes the final decision.
- 60.3.2. AFLAB will only hear the claims of fish harvesters whose appeals were rejected at the first level (RLAC).
- 60.3.3. For AFLAB, an application must be filed within 90 days from the date on the decision letter at the first level (RLAC) from the RDG.
- 60.3.4. Notwithstanding any of the provisions above, the Minister may refer to the AFLAB any licensing decision he may wish to have reviewed.
- 60.3.5. The Board will make recommendations to the Minister on licensing appeals rejected through the Regional Licensing Appeal Structure by:

60.3.5.1. Determining if the appellant was treated fairly in accordance with DFO's licensing policies, practices and procedures; and/or

60.3.5.2. Determining if extenuating circumstances exist for deviation from established policies, practices, or procedures.

60.4. Withdrawing an appeal

60.4.1. An appellant may withdraw an appeal at any time by notifying DFO in writing.

For more information on the licensing appeal process and procedures, please refer to the Guide to the Atlantic Fisheries Licence Appeal Process at:

<http://www.dfo-mpo.gc.ca/fm-gp/policies-politiques/licences-permis/aflap-pappa/index-eng.htm>

CHAPTER 11 – LICENSING POLICY AMENDMENTS

61. CONSULTATIONS

- 61.1. DFO's policy is to provide opportunities for public review and input in the development of licensing policies.
- 61.2. DFO's may consult the fishing industry, provincial and territorial governments, Indigenous groups and other interested stakeholders on changes to the licensing policy and on the development of new policies. Where land claims are settled, DFO will consult with appropriate co-management Boards.
- 61.3. Views expressed during consultations on a proposed licensing policy change or new licensing policy will be considered in arriving at a decision.

62. NOTIFICATION OF LICENSING POLICY AMENDMENTS

- 62.1. Reasonable efforts will be made by DFO to inform members of the fishing industry of changes to licensing policy.
- 62.2. Reasonable effort will be made to inform licence holders directly affected by a change in policy of the licensing policy change affecting them.

63. LICENSING POLICY DOCUMENT AMENDMENTS

- 63.1. This document will be amended on a timely basis to reflect changes approved to licensing policy.

64. GUIDELINES FOR CHANGING VESSEL REPLACEMENT RULES

- 64.1. Individual fleets on the Atlantic coast now have the flexibility to propose changes

to vessel replacement rules to meet their needs. This can be done through an open and transparent process involving all affected stakeholders. Their proposals will be assessed against the following ten guiding principles:

- 64.1.1. New rules for a particular fleet or fishery should not compromise objectives for conservation and sustainable utilization;
 - 64.1.2. There should be no increase in overall harvesting capacity in the fleet, and preferably new vessel replacement rules should contribute to reduced capacity;
 - 64.1.3. New vessel replacement rules should encourage fleet sustainability initiatives;
 - 64.1.4. New vessel replacement rules should not compromise safety and should be consistent with the policies and regulations of other agencies responsible for safety at sea;
 - 64.1.5. New rules should contribute to improved economic viability of fleets and not generate pressures for expanded allocations;
 - 64.1.6. New rules should not result in any changes in allocations, fleet shares or access;
 - 64.1.7. Only core licence holders with permanent licences will benefit from changes to rules;
 - 64.1.8. New rules should be readily enforceable and should not increase administrative and enforcement workloads for DFO;
 - 64.1.9. New rules should be consistent with the objectives of current licensing policy including owner-operator rules and the emphasis on multi-licensed enterprises; and
 - 64.1.10. New rules should take into account the fact that fishing enterprises may hold licences for more than one fishery.
- 64.2. In considering changes to vessel replacement rules, DFO will take steps to ensure that any new approach is consistent with the overall policy goals for conservation and orderly management.
- 64.3. Fleet definition: A wide-ranging understanding of what constitutes a "fleet" already exists. DFO is clarifying what is generally meant by "fleet" through the following description:

64.4. A fleet is normally "a group of licence holders operating as a single unit in one or more fisheries and being allocated and fishing its own share or resources, or which has access to its own fishing area."

64.4.1. Process: This new process allows fleets to develop proposals for more flexible vessel replacement rules and bring them forward to DFO for review.

64.4.2. The new approach supports improved decision-making through a more open and transparent process using existing consultation mechanisms. Once a proposal is received, it will be reviewed with all stakeholders that may be affected and then assessed on its merits against the ten guiding principles. It must be consistent with these principles otherwise it will not be accepted. As a final step, ministerial approval is required on each proposal; and

64.4.3. Fleets with proposals for vessel replacement rule changes may now submit their proposals. Proposals will be assessed under the new approach. Each region is responsible for streamlining the process and ensuring proposals meet requirements and any supplementary rules already in force in their region.

CHAPTER 12 – FLEET SUSTAINABILITY INITIATIVES

65. ENTERPRISE COMBINING

- 65.1. Independent Core licence holders may combine their Core enterprises with one or more Core enterprise resulting in the removal of at least one Core enterprise (Independent Core, Core licence holder), subject to section 65.2.
- 65.2. Enterprise combining may occur only within specific administrative areas, fleets and geographic areas as specified in details for eligible fleets in [Annex X](#).
- 65.3. Independent Core licence holders may combine with an Independent Core or Core enterprise holder who wishes to leave the fishery, provided they do not exceed the maximum quota or gear allowed for any given licence as per the details in [Annex X](#) for eligible fleets or administrative guidelines already established for a fleet.
- 65.4. The fish harvester leaving the fishery will no longer be given a licence holder's category as of the time of the transaction.
- 65.5. Any licences which are not combined (except those listed in section 11.5) may be held by DFO for later combining or reissuance, for up to 24 months during which time the fish harvester leaving the fishery can request reissuance to another eligible licence holder. Licence documents will not be issued and fees will not be applied during the 24-month period. After the 24-month period, the fish harvester leaving the fishery shall forever relinquish all claims, any interest in and any privileges associated with the licences.
- 65.6. Licence holders may request to re-allocate, subject to section 65.7, all or a portion of the gear or quota accumulated through a previous enterprise combining transaction.
- 65.7. Licence holders must maintain the minimum amount of gear or quota on licences eligible for combining as per [Annex X](#) in order for the licence to remain valid.
- 65.8. Quota or gear acquisitions may not be re-allocated in whole or in part for 12 months, unless the enterprise is leaving the fishery under enterprise combining.

65.9. Enterprise combining is not reversible.

65.10. Section 29.1 (12-month rule) does not apply for the purpose of enterprise combining.

65.11. There will be no combining during the fishing season.

65.12. Indigenous organizations seeking to combine enterprises will be assessed on a case-by-case basis.

66. SELF-ADJUSTMENT POLICIES (PARTNERSHIP)

66.1. In the Gulf Region, partnership arrangements in the Lobster fishery may be created where both fish harvesters hold category “A” Lobster fishing licences for the same LFA except in the ENB & GNS Administrative Areas where the Lobster fishing licences must be for the same Lobster Fishing Sub-Area and freeze areas ([Annex VIII](#)). The following conditions apply:

66.1.1. both licence holders must be present on the boat during Lobster fishing operations;

66.1.2. the number of Lobster traps permitted to be fished cannot be greater than the legal number of traps authorized for one licence in that LFA plus 50 percent of the other licence;

66.1.3. the licences must be two regular commercial licences;

66.1.4. where restrictions on issuance of replacement licences are in place, partnership is only allowed within the same freeze area ([Annex VIII](#)); and

66.1.5. partnership arrangements may be dissolved upon the request of one of the partners.

66.2. In the Gulf Region, partnership arrangements are permitted in the following crab fisheries (excluding licences held by legal entities on behalf of fishing associations):

66.2.1. in the Crab Fishing Area (CFA) 12E, 12F, 12 (18, 25, 26) Snow Crab fishery where both enterprises hold Snow Crab licences for the same CFA;

and

66.2.2. in the ENB and PEI Administrative Areas in the Rock Crab fishery where both enterprises hold Rock Crab licences for the same LFA.

66.2.2.1. Under any Crab partnership arrangement, the following conditions apply:

- both licence holders must be present on the boat during fishing operations;
- the number of traps permitted to be fished cannot be greater than the legal number of traps authorized for one crab licence in that fishing area plus 50 percent of the other licence;
- the licences must be two regular commercial licences;
- where restrictions on issuance of replacement licences are in place, partnership is only allowed within the same freeze area ([Annex VIII](#)); and
- partnership arrangements may be dissolved upon the request of one of the partners.

67. RATIONALIZATION POLICIES

67.1. In the Gulf Region, the combining of groundfish licences is authorized as follows:

67.1.1. where the licence holders' residence is within the same administrative area; and

67.1.2. where the transaction will result in the termination of one groundfish licence.

67.2. In the Gulf Region, the combining of Mackerel licences is authorized as follows:

67.2.1. Where the licence holders' residence is within the same administrative area; and

67.2.2. Where the transaction will result in the termination of one Mackerel licence.

ANNEX I – KEY LICENCES

Key inshore licences:

Shrimp, Snow Crab, category A Lobster, groundfish other than handline, Scallop, Bluefin Tuna and Herring.

Key coastal licences:

In ENB Administrative Area – Softshell Clams, Bar Clams, Eel, Gaspereau, Oysters, Smelt;

In PEI Administrative Area – Clams-unspecified, American Eel, marine plants, Oysters, Oyster relay, Smelt; and

In GNS Administrative Area – Clams-unspecified, Eel, gaspereau, Oysters, Smelt.

ANNEX II – FISHERIES DEEMED EITHER INSHORE OR COASTAL**Inshore fisheries**

Billfish	Salmon/Char
Capelin	Scallop
Clam (Mechanical gear on vessel over 45')	Sea Cucumber
Crab	Sea Urchin
Groundfish	Shark
Hagfish	Shrimp
Herring	Squid
Herring Weir	Swordfish
Lobster	Tuna
Mackerel	Whelk
Periwinkle	

Coastal fisheries

Alewives
 Clams (Hand tools and mechanical gears on vessels less than 13.7m (45') LOA)
 Eel
 Gaspereau
 Marine plants
 Mussels
 Oysters
 Seal
 Shad
 Silverside
 Smelt
 Striped Bass

Any species not listed above are deemed coastal fisheries.

ANNEX III – NEW REGULAR LICENCES

1. **Mackerel:** Limited entry except for gillnet licences which may be issued to any Independent Core fish harvester, wholly owned company, or Indigenous organization who holds a Herring gillnet licence for a vessel less than 15.2m (50') LOA. Handline and mechanical device licences may be issued to any head of an Independent Core enterprise. For Indigenous organizations, the total number of Mackerel gillnet licences may not exceed the number of Herring gillnet licences currently held by the Indigenous organization.
2. **Mussels:** Limited entry except licences to fish by hand or with hand-held tools which are available to Coastal or Independent Core fish harvesters or Indigenous organizations of the Gulf Region.
3. **Seal:** Licences issued as per Chapter 9 of this document.
4. **Squid:** Open access, except for trap licences, providing applicant is an Independent Core or full-time fish harvester or Indigenous organization and is licensed for same gear type (e.g. groundfish mechanical jigger may be licensed for Squid mechanical jigger). For Indigenous organizations, the total number of Squid licences may not exceed the number of groundfish licences with the same gear type currently held by the Indigenous organization.

ANNEX IV – SECTOR MANAGEMENT POLICY

Following the release of the discussion paper on sector management and Regional consultations with fishermen, their representatives and provincial governments, sector management was implemented on January 1, 1982.

Sector management applies to all inshore vessels (less than 19.8 metres or 65 feet) fishing any species of groundfish and permits the decentralization of the management of the inshore groundfish fishery to the Regional Headquarters level. This concept has been used for other inshore fisheries such as Salmon, Lobster and Herring where a number of different management zones have been established within each Region. This has enabled each Region to respond quickly to local fisheries problems and align fishing effort to the resources available.

OBJECTIVES

The objectives of sector management are:

1. To control access among various fleet sectors and allow for a suitable balance between the resources available and the fishing effort within the boundaries of a specified sector. Specifically, to ensure that in a sector where adequate fishing capacity exists (or over-capacity), additional fishing effort by vessels outside the sector is restricted. This ensures that quotas assigned for a particular size of vessel in a particular area are harvested by vessels from that area and minimizes the over fishing of established quota levels.
2. To manage the small vessel fleet within a specified sector to provide greater decentralization and, in particular, provide Directors General with a greater degree of authority for management.
3. To allow for expansion or restriction of the inshore fisheries within a particular Region in relation to the resource availability, without necessarily affecting the management of fisheries in other Regions where fish stock availability, or social and economic conditions, differ.

DEFINITION OF SECTORS

All inshore groundfish vessels (less than 19.8 metres or 65 feet) are managed within a series of fishing areas or sectors. The sectors are aligned with the Newfoundland, Gulf, Quebec and Scotia-Fundy Regions of Atlantic Fisheries Service. Each Region is responsible for administering the sector aligned with it as follows:

<u>Sector</u>	<u>Region</u>	<u>NAFO Areas</u>
1	Newfoundland	0, 2, 3KLMNOPs
2	Gulf/Quebec	4RST, 3Pn
3	Scotia-Fundy	4VWX, 5

In addition to being permitted to fish in their respective sectors all inshore groundfish vessels less than 19.8 metres from sectors (2 and 3) will also be entitled to fish for groundfish in NAFO areas 3MNO¹.

OVERLAPS

Many inshore groundfish vessels from communities near sectoral boundary lines have historically fished common fishing grounds on one side of the line or the other, depending on fish location. In order to provide for continuation of historic fishing patterns, two types of overlap privileges have been established: authorized overlaps and historical overlaps.

AUTHORIZED OVERLAPS

Vessels which have home ports located in the extremities of their sector will be permitted to fish in the NAFO Subdivision adjoining their home port division, specifically:

¹ When sector management was established, areas 3MNO were excluded from the policy. Following a meeting of the Federal-Provincial Atlantic Fisheries Committee in November 1984, NAFO areas 3MNO were incorporated into the policy. It was decided that in NAFO areas 3MNO, inshore Groundfish vessels less than 19.8 metres from any sector (1, 2, or 3) may fish (both inside and outside the 200 mile zone) for Groundfish in accordance with Atlantic Groundfish Management Plan and the Atlantic Fishery Regulations.

<u>Home Port Division</u>	<u>Authorized Overlaps</u>
4T	4Vn
4Vn	4T
3Pn	3Ps
3Ps	3Pn
4RS	2J
2J	4RS

Authorized overlaps are meant to provide for the inshore groundfish fleet as it existed on January 1, 1982. If vessels are relocated to an alternate home port division, the authorized overlap is rescinded. If vessels are relocated from a home port division with no authorized overlap privilege to a home port division listed above, no authorized overlap privilege will be extended.

HISTORICAL OVERLAPS

As a further means of assuring that traditional fishing patterns were not disrupted, ex-sector fishing privileges beyond the authorized overlaps have been granted:

- a) when it was shown that the vessel fished the specific ex-sector area for two years within the period 1978-80.
- b) the qualifying period was extended to the years 1980 and 1981 when it was shown that decisions and commitments were made to have a vessel replaced prior to 1980, i.e. the replacement vessel qualified for an historical overlap if it fished the specific ex-sector area during the years 1980 and 1981.

HISTORICAL OVERLAP TERMINATION CRITERIA

Historical overlap privileges will expire when:

- a) there is a change in vessel ownership,
- b) the vessel is seized by a lending authority, or
- c) the vessel is routinely replaced.

Historical overlap privileges will not expire when the vessel is lost through fire, sinking, etc. Providing the vessel is replaced within a two-year period, the historic overlap privileges would continue on the new vessel, subject to the above criteria.

**ANNEX V – LIST OF INSHORE LICENCES HELD BY CORPORATION SINCE
1978**

REVISION: April 1998

GULF REGION

SPECIES	COMPANY	VESSEL	LOA
Groundfish, Snow Crab	Produits Belle-Baie Ltée	WINDJAMMER	59'
Groundfish, Snow Crab	Pêcheries Jimmy L. Ltée	JIMMY L II	64'

ANNEX VI – SUBSTITUTE OPERATOR REGIONAL GUIDELINES FOR GULF REGION

1. AUTHORITY

- 1.1. As provided under Section 23 of the Fishery (General) Regulations, where, because of circumstances beyond their control, the holder of a licence is unable to engage in the activity authorized by the licence, a fishery officer who is employed by DFO or any employee of DFO engaged in the issuance of licences may, on the request of the holder or the holder's agent, authorize in writing another person to carry out the activity under the licence.
- 1.2. The substitute operator provision is an exception to the owner/operator policy and the requirement for fish harvesters to personally fish the licences they hold. The intent of the provision is to provide for the use of a substitute operator in exceptional circumstances. The use of substitute operators is not intended to permit fish harvesters to consistently absent themselves from fishing activity for an entire fishery and/or season.
- 1.3. These operational guidelines are intended to assist employees to assure consistency in authorizing substitute operators throughout the three administrative areas of the Gulf Region.

2. ELIGIBILITY CRITERIA TO AUTHORIZE A PERSON TO ACT AS A SUBSTITUTE OPERATOR

- 2.1. In order to authorize a person to act as a substitute operator, the person must:
 - 2.1.1. be registered as a commercial fish harvester;
 - 2.1.2. be a resident of the same DFO Administrative Area for which the licence(s) is valid;
 - 2.1.3. not be authorized to fish a licence of the same species in the same fishing area for the term of the licence as the fish harvester requesting the substitution. The term of the licence is a calendar year unless otherwise indicated on the licence; and

2.1.4. be at least 16 years of age.

3. SUBSTITUTE OPERATOR AUTHORIZATION

- 3.1. If a substitute operator authorization is granted, the substitution will apply to all licences issued to the fish harvester who requested the substitution.
- 3.2. The licensed fish harvester who requested the substitution may not participate in any commercial or communal commercial fishing activity other than being on board the vessel along with the substitute operator during fishing activities related to commercial fishing licences issued in the name of the licence holder.
- 3.3. In the event a substitute operator authorization is no longer required and the expiry date of the authorization has not been reached, it is the licence holder's responsibility to notify the Licensing Service Centre (LSC) staff in order to terminate the substitution.
- 3.4. The substitute operator authorization forms part of the licensing documentation and must be attached to the licence(s) being fished.

4. FISHERIES APPROVED FOR USAGE OF SUBSTITUTE OPERATOR

- 4.1. Notwithstanding section 4.2, a substitute operator may be authorized for all commercial fisheries, except for molluscan fisheries in ENB.
- 4.2. In the case of estates, a substitute operator may be authorized for all commercial fisheries for a period up to five years following the death of the licence holder.

5. APPROVAL PROCESS

- 5.1. The following circumstances beyond the licence holder's control are provided as examples where substitute operator authorizations may be granted. It also indicates who is authorized to grant them:

- 5.1.1. Licensing staff may authorize requests for medical reasons upon written request. Medical documentation is required. Annual authorization to a total of three years.
 - 5.1.2. Area Chief-RM may authorize requests for substitute operator for medical reasons upon written request. Medical documentation is required. Annual authorization to a total of five years.
 - 5.1.3. Licensing staff may authorize requests for substitute operator for personal reasons upon written request for a maximum of five days per year. This authorization is intended to cover the following situations: bereavement, family-related responsibilities and any other personal reasons.
 - 5.1.4. Licensing staff may authorize requests for substitute operator requested by DFO to participate in meetings. Sufficient time to travel and attend the specific meeting in question may be authorized. The licence holder must provide a copy of a letter of initiation.
 - 5.1.5. Licensing staff may authorize requests for substitute operator requested for court for appearances such as jury selection; to serve on a jury, by subpoena or summons to attend as a witness. Proof must be provided.
 - 5.1.6. The Area Director may authorize requests for substitute operator requested for “other” reasons. Such requests will be reviewed on a case by case basis with consultation with the Regional Licensing Policy Advisor.
- 5.2. For the purpose of these operational guidelines, the term “year” describes the situation where a fish harvester requested one or multiple substitution(s) in a regular calendar year (January 1–December 31) and for which the substitution(s) was (were) granted and remained in effect for a combined 15 days or more throughout the regular calendar year.
- 5.3. As of January 1, 2025, where the holder of a licence is pregnant or is the new parent of a child and requires leave to care for the child or themselves, which prevents them from engaging in the activity authorized by the licence, upon request and upon provision of acceptable documentation to support their request, they may request a substitute operator for the following reasons:
- 5.3.1. Maternity leave: licence holders that are pregnant or who gave birth may be allowed to request a substitute operator for up to 17 weeks following the

date of the child's birth;

5.3.1.1. For safety reasons, the pregnant licence holder may request a substitute operator for maternity leave at any time during the pregnancy once they have been confirmed to be pregnant, including before the birth of the child. The use of maternity leave prior to the birth of the child due to safety reasons will not be deducted from the 17 weeks that is available following the birth of the child;

5.3.1.2. Once a pregnant licence holder has reached the maximum of time allotted under maternity leave (17 weeks following the date of birth) they may also request parental leave as outlined under section 5.3.2.

5.3.2. Parental leave: licence holders that are new parents (by birth or adoption) are allotted up to 35 weeks of a substitute operator which may be initiated following the birth date or date of placement in cases of adoption.

5.3.2.1. Parental substitute operator requests must be made within the 35 week period following the birth/placement of the child in the licence holder's care. Licence holders must initiate their leave under the parental leave category before the end of week 35, following the birth/placement of the child.

5.4. Substitute operator time used under section 5.3.1 and 5.3.2 will not be taken into account in the calculation of the set maximum time of five years per fishing career applied in section 5.1.2.

6. REVIEW OF USAGE OF SUBSTITUTE OPERATORS

6.1. On an annual basis, the LSC staff will prepare a report of all substitute operator authorizations granted. The Gulf Region Licensing Policy Committee will review the usage of substitute operators and provide a report to the Fisheries and Aquaculture Management Regional Director with recommendations.

6.2. The substitute operator privilege is an exception to the owner/operator policy which requires fish harvesters to personally fish the licences they hold. Authorization of a substitute operator privileges may be denied if sufficient information is not provided to approve a request or cancelled at any time if evidence demonstrates the licence

holder is attempting to circumvent DFO's owner-operator policy. Licence holder may appeal such decisions through the Gulf Licensing Appeal Process.

ANNEX VII – NEW EMERGING FISHERIES POLICY

INTRODUCTION

Unfished or underutilized marine species exist off Canada's coasts. Shifts in world markets, declines in harvests of traditional species, maturing of existing markets and changing harvesting and processing technologies increase the likelihood that some of these resources could be successfully harvested in a sustainable manner. The number of requests received annually for scientific/exploratory licences for new fisheries demonstrate that there is an increasing interest in accessing these fisheries.

In light of this, the Emerging Fisheries Policy was developed in 1996, to clearly lay out the requirements that must be met and the procedures to follow before a new fishery can be initiated. A cornerstone of the new policy is provision for the establishment of a scientific base with which stock responses to new fishing pressures can be assessed. This new policy replaced DFO's "Policy on Underutilized Species" which was no longer adequate in the current environment. Not only does the Emerging Fisheries Policy provide applicants with a transparent process to follow, it also gives DFO managers a procedure that can be applied fairly and consistently. This policy is also precautionary in its approach to the development of new fisheries. The objective is to diversify fisheries and increase economic returns while ensuring conservation of the stocks and realizing the sustainable use of fisheries resources.

This policy applies to all new fisheries undertaken in marine or fresh water areas where the Department of Fisheries and Oceans' manages the fishery. Indigenous people have the constitutional right to fish for food, social and ceremonial purposes. This right is second only to conservation.

In undertaking new fisheries, DFO will work with appropriate Boards or other bodies established under Land Claims Agreements. Where DFO is responsible for implementing obligations under Land Claims Agreements, this policy will be implemented in a manner consistent with those obligations. In the event this policy is inconsistent with obligations under Land Claims Agreements, the provisions of the Land Claims Agreements will prevail to the extent of the inconsistency.

Since DFO has a policy of promoting increased Indigenous participation in the management of fisheries, especially through co-management agreements, as well as providing economic development opportunities in existing and new fisheries, applications by Indigenous communities will be given special consideration.

Management of new fisheries requires an integrated approach that would blend science and business principles and effective involvement of government, industry and other parties to ensure fisheries are ecologically and economically sustainable. It requires decisions on roles and responsibilities with regard to management, enforcement and scientific components within each exploratory harvest plan

DFO continues to foster and develop emerging fisheries in co-operation with Provinces and Territories. *Provinces and Territories have an economic development mandate and, as such, have interest in the development of new fisheries that offer alternatives for the preservation and development of coastal regions and communities.* In this role, Provinces and Territories may provide assistance, financial and otherwise, to corporate and individual proponents throughout the development process. In addition, the licensing and inspection (other than for export) of fish processing facilities, including those involved with emerging fisheries initiatives, are Provincial/Territorial responsibilities.

This document is available to industry so they are aware of the Department's policy on new fisheries, the process by which they can apply for licences for new fisheries, and the obligations of all Parties.

VISION:

“Healthy and abundant fishery resources supporting sustainable uses.”

In achieving this the new fisheries policy will be guided by the following:

- New fisheries must provide for a reasonable scientific basis for their management. The process by which new fisheries will be managed must include the requirement for stock assessment information in the early stages. Proponents will bear responsibility to maximize collection of scientific information from catches and for co-operative work with DFO scientists who will be responsible for analyzing the data/information obtained.

- New fisheries should contribute positively to the economic viability of a fishery enterprise on an ongoing basis.

Under the proposed policy all requests from applicants must include proposals that outline research, management and conservation approaches as well as cost of these approaches.

GUIDING PRINCIPLES:

Conservation will not be compromised - a precautionary approach will guide decision-making. Information on the abundance, distribution, and productivity of the target species is identified as the key scientific requirement for development of precautionary management strategies.

The potential impact or interaction of any new fishery or gear on associated or dependent species, fishing or gear type and on habitat will be assessed.

Based on biological and environmental information, including input from industry, provinces/territories and the public, DFO will establish conservation standards, set conditions for harvest, and monitor their application.

Users are accountable for compliance with conservation standards for meeting harvesting conditions.

In allocating DFO's personnel and financial resources, priority will be given to the research, management and enforcement of established fisheries. Proponents should expect to *ensure the necessary funding to cover cost increases* associated with the development of the fishery. Where programs exist, DFO will identify sources of funding.

DFO Science is responsible for the analysis of data generated and provision of advice.

DFO will uphold Canada's sovereignty concerning the fishery resource.

Users, through partnership arrangements, will participate more in the management of the fishery.

Indigenous peoples will be provided access to the resource consistent with the law and government's fiduciary responsibilities.

OPERATIONAL GUIDELINES

As a general rule, new fisheries involve three stages:

- i) **STAGE I: The preliminary feasibility stage.** (Scientific Licences) The objective of this stage is to determine if harvestable quantities of the species/stock known to be present in a particular fishing area exist, if the species/stock can be captured by a particular gear type, identify multi-species and habitat impacts, if markets exist and, the best approach for proceeding further, e.g. to Stage II.
- ii) **STAGE II: The commercial and stock assessment stage.** (Exploratory Licences) The objective of this stage is to determine whether a species/stock can sustain a commercially viable operation and to collect biological data in order to build a preliminary database on stock abundance and distribution.
- iii) **STAGE III: The commercial fishery stage.** (Commercial Licences) This stage is reached once it has been determined that a species/stock can sustain (commercially and biologically) commercial fishing operation. A formal Integrated Fisheries Management Plan is introduced.

The above stages are often not as distinct as illustrated. In many cases it may be advantageous to combine stages I & II. In fact, it may be difficult from a practical perspective in some instances to separate them.

PROCEDURES

1 - THE APPLICATION PROCESS:

Principle: The process decided upon for a given species or stock be publicly released and adhered to.

A) FOR NEW FISHERIES AT STAGE I - THE PRELIMINARY ASSESSMENT STAGE: (Feasibility)

Applicants will submit proposals/applications that:

- 1) identify the target species/stock, fishing area and fishing method for which a licence is requested;
- 2) summarize current knowledge about the target species, and provide an indication of how other species and/or the environment might be affected by the proposed activity;
- 3) provide a detailed plan outlining proposed fishing activities, e.g. applicable inspection requirements (CFIA), harvest level by management area, harvesting method to be used, vessels to participate, start-up time, duration of harvesting activity, interactions with other fishing activities, etc.;
- 4) provide information of product use, e.g. product forms, on-board product forms, onshore production if any, likely market distribution, etc.;
- 5) provide proof of public notification/consultations which allows for industry/public review and input;
- 6) successful applicants must, in consultation with DFO, prepare a catch and effort record system. This information will be available to the public;
- 7) identify sources of funding.

NOTA: 1. Applications to access new fisheries (e.g., new species - Atlantic monkfish) for which existing licences have been issued (groundfish licence) and for which no new licences are being issued because they are fully subscribed or where overcapacity will not be considered.

NOTA: 2. All new fisheries for which Stage I activity has been completed and for which applications/proposals are being sought for additional licences for Stage II activities should be communicated publicly by DFO in a regional press release. The names of appropriate DFO contacts should be provided.

B) FOR NEW FISHERIES AT STAGE II - THE COMMERCIAL AND STOCK ASSESSMENT STAGE: (Exploratory)

- 8) an exploratory harvesting strategy for the new fishery, including number of licenses, access criteria, including, where applicable, regional/provincial distribution, catch monitoring and reporting strategy, by-catch limits, seasons, etc., will be developed by DFO or a Committee (whether DFO or a Committee the process should be consistent within a Region); and
- 9) in consultation with DFO Science, prepare a protocol to be used for the stock assessment component of the new fishery broken down as follows: data collection, data analysis, data recording and report preparation.

The following additional information will be required for applications involving new fisheries at the commercial and stock assessment stage (Stage II):

- 10) the proposed processing and marketing strategies, including product forms, plants to be used and market destinations.

Participation criteria should be set, a call for applications issued, applications reviewed and successful applicants licensed after a selection process (e.g., public draw). In order for this to be effective, all relevant information collected in the technical evaluation or exploratory stage will be made available.

2 - THE APPLICATION REVIEW PROCESS:

Upon the receipt of applications for new fisheries, the Department is responsible for initiating a review of all applications for new fisheries as follows:

- 1) all applications/proposals will be reviewed to determine that they meet all the requirements set out in the call for applications;
- 2) subject to time constraints, incomplete or insufficiently detailed applications/proposals will either be returned with a request for further information or screened out;
- 3) once the review of all applications for a new fishery is complete, if the number of qualified applicants exceeds the number of licences, a selection process will take place; and
- 4) the names of successful applicants will be publicly released.

NOTA: 3. Regions are expected to use a Review Committee, made up of governments (federal, provincial, territorial), industry and public members, for the review of the design phase of exploratory harvest plans, in developing application criteria and reviewing and evaluating the results of Stage I & II work. (Also see B-8 above)

NOTA: 4. Applicants should allow a minimum of two months prior to the planned start of fishing activities for the review of applications.

NOTA: 5. Proposals which may be of interest to fishermen from more than one region or DFO Management Area or for a species shared jointly by fishermen from more than one region (or DFO Management Area) must be reviewed inter-regionally. The region (Area) receiving the application is responsible for ensuring this review.

3 - LICENSING PROCESS:

Once a decision on licensees for a new fishery is made, the Department will initiate new fisheries as follows:

- 1) licence conditions for the new fishery are established, including, fishing areas, season, gear restrictions, licensing period, gear-up deadline, by-catch limits, etc.;
- 2) the responsibilities of the licensee with regard to scientific, enforcement and/or management responsibilities and associated costs, as outlined in the exploratory harvesting plan, are included in a Memorandum of Agreement (MOA) or where appropriate as conditions of licence;
- 3) successful applicants are notified of their selection and advised that issuance of licences is subject to receipt of a signed MOA by the Department; and,
- 4) once signed MOAs are received by the Department, licences are issued to participants as follows: scientific or experimental licences for Stage I new fisheries and exploratory licences for Stage II new fisheries.
- 5) participation requirements will be introduced as a condition of exploratory licence issuance.
- 6) DFO will be responsible for analysis of information received from Stage 1 and 2 in a timely fashion so as to provide information base for assessing progression to further stages.
- 7) Scientific licence holders (Stage I) will be given priority for exploratory licences (Stage II).
- 8) Exploratory licence holders (Stage II) will be given priority for regular licences (Stage III).
- 9) Scientific/experimental or exploratory licences are not reissuable between individuals.

10) The names of successful applicants are released.

A) DEFINITIONS:

NEW FISHERIES: Fisheries involving new species and/or stocks that are not utilized or not fully utilized, and not currently covered by a management plan.

SCIENTIFIC/EXPERIMENTAL LICENCE: Licence issued under Section 4 of the Fisheries Act or Section 52 of the Fishery General Regulations, the purpose of which is to determine the distribution and abundance of a fish resource as well as to determine if harvestable quantities exist, and if it can be caught.

EXPLORATORY LICENCE: Licence issued under Section 7 of the Fisheries Act, for a stock we have some idea of the distribution and abundance, the purpose of which is to determine if the stock can sustain a commercially viable operation and to collect additional biological data.

COMMERCIAL LICENCE: Licence issued under Section 7 of the Fisheries Act, the purpose of which is to allow the holder to generate an annual sustainable revenue.

ANNEX VIII – LIST OF FISHERIES FOR WHICH A RESTRICTION OF THE MOVEMENT OF LICENCES IS IN PLACE

(Restrictions are listed by Administrative Area, then by Species, then by Zones)

1. EASTERN NEW BRUNSWICK

1.1 LOBSTER

1.1.1 **LFA 23:** A temporary freeze on the issuance of replacement Lobster licences in LFA 23 has been implemented in the ENB Administrative Area. Replacement licences may only be issued to Indigenous organizations, Independent Core fish harvesters and wholly owned companies whose homeport is located within the applicable freeze area or to a qualified new entrant whose residence is within the applicable LFA. All licence freezes remain in effect until further notice. The freeze areas are:

- Tracadie – Val-Comeau
- Rivière du Portage – Oak Point
- Bartigog Bridge – Pointe Escuminac
- Pokeshaw – Campbellton
- Inkerman – Sainte-Marie-sur-Mer but excluding these two communities
- Grande Anse – Pokesudie
- Lamèque – Petit Shippagan
- Pigeon Hill Area
- Inkerman – Four Roads
- Miscou Island Area
- Sainte Marie – Saint Raphaël area

1.1.2 **LFA 25:** A temporary freeze on the issuance of replacement Lobster licences in LFA 25 has been implemented in the ENB Administrative Area. Replacement licences may only be issued to Indigenous organizations, Independent Core fish harvesters, and wholly owned companies whose homeport is located within the applicable freeze area or to a qualified new entrant whose residence is within the applicable LFA. All licence freezes remain in effect until further notice. The freeze areas are:

- Pointe Sapin – Cap St Louis excluding Cap St. Louis
- Richibouctou Area
- Côte Ste-Anne – Cap-des-Caissie
- Shediac – NS border

1.2 ROCK CRAB

1.2.1 **LFA 23:** A temporary freeze on the issuance of replacement Rock Crab licences in LFA 23 has been implemented in the ENB Administrative Area. Replacement licences may only be issued to Indigenous organizations, Independent Core fish harvesters, wholly owned companies, or qualified new entrants who fish from the same homeport as the current licence holder or to a fish harvester who fishes from a homeport where there is no Rock Crab licence holder. A maximum of one replacement licence may be issued for a homeport where there is no Rock Crab licence. All licence freezes remain in effect until further notice is received.

1.2.2 **LFA 25:** Rock Crab replacement licences in LFA 25 in ENB:

1.2.2.1 For statistical district 80, may only be issued to an independent core fish harvester, wholly owned company, or Indigenous organisation with a homeport in statistical district 80;

1.2.2.2 For statistical districts 75, 76, 77 and 78, may only be issued to an independent core fish harvester, wholly owned company, or Indigenous organisation with a homeport within either statistical districts 75, 76, 77 or 78;

1.2.2.3 Notwithstanding sections 1.2.2.1 and 1.2.2.2 and subject to residence criteria, replacement Rock Crab licences may be issued throughout LFA 25 when the issuance is between father/mother and son/daughter.

2. **GULF NOVA SCOTIA (GNS)**

2.1 **TUNA**

2.1.1 GNS licences issued to fish harvesters from Maritimes region in NAFO sub-division 4Wd (Daliwhal 10) may be issued as replacement licences to residents of the DFO Maritimes Region with a homeport in NAFO Division 4Wd.

ANNEX IX – STATISTICAL DISTRICTS IN THE GULF REGION

DISTRICT	DESCRIPTION
2	Victoria County line to Broad Cove (inclusive)
3	Broad Cove (inclusive) to Richmond County line
10	Cumberland County line to Pictou County line (Gulf side)
11	Colchester County line inclusive to the western shore of Pictou Harbour and including Pictou Island
12	Inclusive of the eastern shore of Pictou Harbour to the Antigonish County line
13	Antigonish County (all)
45	New Brunswick border (Northumberland Strait) to Pugwash Point (inclusive)
46	Pugwash Point (exclusive) to Colchester County line
63	Restigouche County (all)
64	Restigouche County line to Bass River (inclusive)
65	From Bass River (exclusive) to Pokesudie Island (inclusive)
66	Shippegan and Miscou Islands (inclusive)
67	Pokesudie Island (exclusive) to Pokemouche gully (inclusive)
68	Pokemouche Gully (exclusive) to Northumberland County line
70	Glouchester County line to Grand Down Island (inclusive) near Barryville
71	Grand Down Island (exclusive) to Morrissy Bridge on the north side of the Miramichi River and from Morrissy Bridge to Point au Carr (inclusive) on the south side of the Miramichi River
72	Morrissy Bridge to Red Bank (inclusive) on the north west Miramichi and from Morrissy Bridge to Quarryville (inclusive) on the south west Miramichi River
73	Point au Carr (exclusive) to Kent County line
75	Northumberland County line to the south side of the St. Louis River (inclusive)
76	South side of the St. Louis River (exclusive) to Chockpish River (inclusive)
77	South side of Chockpish River (exclusive) to Westmorland County line
78	Kent County line to Lower Cape Bald (inclusive)
79	Albert County (entire)
80	Lower Cape Bald (exclusive) to Nova Scotia Boundary on Northumberland Strait side
82	Baptist Point (inclusive) to North Point (exclusive)
83	Remainder of Prince County, Northumberland Strait side
85	Prince County line to the western outskirts of Charlottetown, Northumberland Strait

DISTRICT	DESCRIPTION
	side
86	Remainder of Queens County, Northumberland Strait side
87	All of Kings County south of a line from the coast at the south side of Boughton Bay to a line between Queens and Kings counties.
88	Remainder of Kings County
92	North Point (inclusive) to Cavendish Inlet
93	Remainder of Prince County, Gulf side
96	Remainder of Queens County, Gulf side

ANNEX X – FLEETS ELIGIBLE FOR LOBSTER COMBINING

(Eligible fleets represented by a recognized organization who submitted proposals for Lobster combining as per section 65 of this policy which have been approved by DFO)

1. Prince Edward Island

1.1 Western Gulf Fisherman's Association - Lobster fleet (Ports in LFA 24 west of Malpeque Harbour)

- 1.1.1 One or two Lobster licence holders are permitted to acquire 75 percent of the traps from a Lobster licence holder wishing to leave the fishery.
- 1.1.2 The Lobster licence being relinquished and 25 percent of its traps will be removed from the fishery at the time of the transaction.
- 1.1.3 Eligible enterprises in a combining transaction must fish from the same homeport in Western Prince Edward Island port freeze area in LFA 24.
- 1.1.4 At any given time, a Lobster licence may be authorized to fish with 525 traps, 412 traps or the minimum number of traps as authorized in the approved Lobster management plan for the LFA (currently 300). In any case where future conservation or management measures result in a trap adjustment for the LFA (whether an increase or decrease) the above noted numbers of traps shall be adjusted accordingly on a percentage basis rounded to the next highest whole number.
- 1.1.5 The holder of a 525 trap Lobster licence may request the reissuance of the combined licence to a qualified new entrant as a 525 trap Lobster licence who may fish from same homeport or re-allocated the previously acquired 225 traps to one or two existing Independent Core Lobster licence holder(s) fishing from same homeport as a single set of 225 or two sets of 112 traps then request to reissue the 300 trap Lobster licence to a qualified new entrant who will fish from the same homeport

- 1.1.6 The holder of a 412 trap Lobster licence may request the reissuance of the combined licence to a qualified new entrant as a 412 trap Lobster licence who will fish from the same homeport or re-allocate the previously acquired 112 traps to an existing Independent Core Lobster licence holder fishing from the same homeport then request to reissue the 300 trap Lobster licence to a qualified new entrant.
- 1.1.7 The holder of a combined 525 trap Lobster licence who wishes to relinquish the Lobster licence they hold and combine with other Independent Core Lobster licence holders fishing from the same homeport will first relinquish 25 percent of the minimum established limit of Lobster traps for the fishery. They may then re-allocate 450 traps (in sets of 225 or 112 traps) to other eligible Independent Core Lobster licence holders fishing from the same homeport who will maintain the trap limits as per section 1.1.4 above. Upon doing so, the fish harvester leaving the fishery will no longer be given a licence holder's category as of the time of the transaction. Any uncombined licences will be subject to section 65.5.
- 1.1.8 Anytime the allowable complement of traps associated with a Lobster licence is re-allocated to one or more other Lobster licences, the said Lobster licence will be relinquished immediately from the fishery.
- 1.2 PEI Lobster Fishing Area (LFA) 26A-1 Advisory Committee – Lobster fleet
- 1.2.1 One or two Lobster licence holders are permitted to acquire 75 percent of the traps from a Lobster licence holder wishing to leave the fishery.
- 1.2.2 The Lobster licence being relinquished and 25 percent of its traps will be removed from the fishery at the time of the transaction.
- 1.2.3 Eligible enterprises in a combining transaction must fish from a homeport in LFA 26A-1 in PEI.
- 1.2.4 At any given time, a Lobster licence may be authorized to fish with 476 traps, 374 traps or the minimum number of traps as authorized in the approved

Lobster management plan for the LFA (currently 272). In any case where future conservation or management measures result in a trap adjustment for the LFA (whether an increase or decrease) the above noted numbers of traps shall be adjusted accordingly on a percentage basis rounded to the next highest whole number.

- 1.2.5 The holder of a 476 trap Lobster licence may request the reissuance of the combined licence to a qualified new entrant as a 476 trap Lobster licence who may fish from a homeport in LFA 26A-1 in PEI or re-allocated the previously acquired 204 traps to one or two existing Independent Core Lobster licence holder(s) fishing from a homeport in LFA 26A-1 in PEI as a single set of 204 or two sets of 102 traps then request to reissue the 272 trap Lobster licence to a qualified new entrant.
- 1.2.6 The holder of a 374 trap Lobster licence may request the reissuance of the combined licence to a qualified new entrant as a 374 trap Lobster licence who will fish from a homeport in LFA 26A-1 in PEI or re-allocate the previously acquired 102 traps to an existing Independent Core Lobster licence holder fishing from a homeport in LFA 26A-1 in PEI then request to reissue the 272 trap Lobster licence to a qualified new entrant.
- 1.2.7 The holder of a combined 476 trap Lobster licence who wishes to relinquish the Lobster licence they hold and combine with other Independent Core Lobster licence holders fishing from a homeport in LFA 26A-1 in PEI will first relinquish 25 percent of the minimum established limit of Lobster traps for the LFA from the fishery. They may then re-allocate 408 traps (in sets of 204 or 102) to eligible Independent Core Lobster licence holders fishing from a homeport in LFA 26A-1 in Prince Edward Island who will maintain the trap limits as per section 1.2.4 above. Upon doing so, the fish harvester leaving the fishery will no longer be given a licence holder's category as of the time of the transaction. Any uncombined licences will be subject to section 65.5.
- 1.2.8 Anytime the allowable complement of traps associated with a Lobster licences are re-allocated to one or more other Lobster licences, the said Lobster licence will be relinquished immediately from the fishery.

ANNEX XI – ISSUING LICENSES TO COMPANIES POLICY (ILC)

1. Objectives

1.1 The objectives of the ILC policy are to:

- 1.1.1 Promote economic viability, prosperity and wealth generation; and
- 1.1.2 Allow for the licence to be issued to a company as a way to provide an additional choice for licence holders to organize their businesses in the most efficient manner.

2. Application

2.1 The ILC policy applies to licences in the inshore and coastal sectors, except those listed in section 11.5.

2.2 The ILC policy does not apply to fishing licences issued under the Aboriginal Communal Fishing Licences Regulations.

2.3 In the Maritimes Region, the ILC policy does not apply to the following licences:

- 2.3.1 Groundfish fixed gear ITQ 45-65'
- 2.3.2 Groundfish mobile gear ITQ <65'
- 2.3.3 Swordfish longline
- 2.3.4 Herring purse seine
- 2.3.5 Full Bay scallop
- 2.3.6 Scotian Shelf shrimp mobile gear ITQ <65'

3. Criteria

3.1 Before an eligible inshore or coastal licence may be issued to a wholly-owned company, the following criteria are to be met:

- 3.1.1 For inshore licences, the sole shareholder of the company must meet the Independent Core eligibility criteria;
- 3.1.2 The company must provide certification by legal counsel or a registered professional accountant verifying that all voting and non-voting shares of the company are issued to and controlled by the Independent Core fisher or, in the case of licences issued in the coastal sector, the individual coastal licence holder.
- 3.1.3 The company must file a declaration confirming that the sole shareholder of the company has not transferred the use or control of any of the rights

or privileges conferred under the licence, unless authorized as per s.19(5) of the AFRs or s.29.2(5) of the MPFRs.

- 3.1.4 The company must provide a copy of the Certificate of Incorporation showing the registration number and the official name of the company.
 - 3.1.5 The sole shareholder of the company does not hold shares in another wholly-owned company that has been issued an inshore or coastal licence for that same species or has been issued a licence for the same species as an individual (with the exception of section 11.8 Commercial Fisheries Licensing Policy of Eastern Canada - Grandfather clauses in Maritimes Region, and other licensing flexibility tools - e.g. Combining).
- 3.2 When exercising their discretion to renew a license, the Minister reserves the right at the time of renewal to confirm that wholly-owned companies in the inshore and coastal fisheries sectors continue to meet the requirements of policy, as listed in section 3.1.

4. Death of the sole shareholder

- 4.1 The following rules apply upon the death of the sole shareholder of a company holding an inshore or coastal licence.
 - 4.1.1 Where a licence is issued to a wholly-owned company and the sole shareholder dies, the Department will only authorize an officer of the company to conduct transactions on behalf of the wholly-owned company.
 - 4.1.2 The officer will be granted the authority to submit:
 - 4.1.2.1 A request for a substitute operator to continue to prosecute the fishery on the company's behalf; or
 - 4.1.2.2 A request to reissue the licence to another licence holder who meets the eligibility criteria laid out in the applicable sections of DFO regulations and policies.
- 4.2 The request for a substitute operator or to reissue the licence must not exceed five years from the date of death of the original licence holder who was the sole shareholder of the wholly owned company.
 - 4.2.1 If the wholly owned company intends to continue to be issued the licence beyond the 5 year maximum, all shares of the company must be transferred and controlled by one individual who meets the eligibility criteria as per DFO regulations and policies.

- 4.2.2 If the death of the sole shareholder occurs after a fishing season has started, the wholly owned company may continue to be issued and benefit from the licence(s) up to the end of that season.

- 4.3 The licence must be renewed annually and maintained in good standing with the fees paid prior to the licence being issued.