Health Products and Food Branch
Inspectorate
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OTTAWA, Ontario
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January 31, 2008

08-101840-593

To: ALL INTERESTED PARTIES

I am pleased to inform you that Health Canada has finalized the guidance document entitled "GMP Inspection Policy for Canadian Drug Establishments (POL-0011)", which is now available on Health Canada's Compliance and Enforcement website under "What's New"

This document has been reviewed as part of the Inspectorate's quality management process and has been amended to increase efficiencies in the scheduling of inspections and delivery of the Drug GMP Inspection Program.

This version re-iterates the requirement for new establishments when applying for an establishment licence to be ready for an inspection when submitting their application, as the Inspectorate expects that all proper information and systems are in place at the time of inspection. The Inspectorate is committed to perform an initial inspection within 3 months following the date of receipt of the request.

If establishments are not prepared for an initial inspection when contacted by the inspectorate, their EL application will be withdrawn. The company will have to resubmit an EL application with all supporting information.

For all inspections, once the date of inspection has been set and the establishment informed, the inspection should take place on the date scheduled by the Inspectorate. Changes to dates of scheduled inspections will only be done at the discretion of the inspectorate and upon receipt of sufficient justification from the establishment.

Inquiries about this guidance document can be submitted in writing by mail to the Manager, Drug GMP Inspection Unit, HPFB Inspectorate, Graham Spry Building, A.L. #2002B, 250 Lanark Avenue, Ottawa, Ontario, K1A 0K9, by fax at (613) 957-6709, or by e-mail at GMP_questions_BPF@hc-sc.gc.ca .

Yours truly,

Original signed by

Director General
Diana Dowthwaite

Health Canada
Health Products and Food Branch

OUR MANDATE:

To take an integrated approach to managing the health-related risks and benefits of health products and food by minimizing health risk factors to Canadians while maximizing the safety provided by the regulatory system for health products and food, and by promoting conditions that enable Canadians to make healthy choices and providing information so that they can make informed decisions about their health.

Health Products and Food Branch Inspectorate

GMP Inspection Policy for Canadian Drug Establishments

POLICY-0011

Supersedes:
January 1, 2004

Date Issued
January 31st, 2008

Date of implementation
January 31st, 2008

Ce document est aussi disponible en français

Canada

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1.0 Purpose

Disclaimer

This document does not constitute part of the Food and Drugs Act (Act) or the Food and Drugs Regulations (Regulations) and in the event of any inconsistency or conflict between that Act or Regulations and this document, the Act or the Regulations take precedence. This document is an administrative document that is intended to facilitate compliance by the regulated party with the Act, the Regulations and the applicable administrative policies. This document is not intended to provide legal advice regarding the interpretation of the Act or Regulations. If a regulated party has questions about their legal obligations or responsibilities under the Act or Regulations, they should seek the advice of legal counsel.

This policy describes the Health Products and Food Branch Inspectorate approach to planning and cycles of GMP inspections in relation with the issuance of Establishment Licences (EL).

2.0 Background

Numerous changes related to the Good Manufacturing Practices (GMP) have occurred since 1996. These include:

- the promulgation of Division 1A - Establishment Licences (EL) Regulation of the *Food and Drug Regulations* applicable to fabricators, packagers/labellers, testers, distributors, importers and wholesalers of drugs;
- the acceptance of Canada as a member of the Pharmaceutical Inspection Cooperation Scheme in 1999 (PIC/S);
- the signing by Canada of Mutual Recognition Agreements (MRAs) with the European Community (EC), Switzerland, Australia and the European Free Trade Association (EFTA) which are presently in their operational phase.

The signing of these agreements involved a formal evaluation process or a confidence building phase to ensure that the GMP compliance programme of these different Regulatory Authorities are equivalent, including the frequency of inspections.

3.0 Scope

This policy is applicable to all Canadian drug establishments for which an EL is required.

The scope of this policy does not include:

- Blood Establishments
- Semen Establishments
- Inspection of foreign sites
- Inspection activities related to Clinical Trials which are covered in the document “Inspection Strategy for Clinical Trials” published on the Inspectorate website on January 15, 2002
- Inspection of Biological drugs for veterinary use that are regulated under the "*Health of Animals Act* and *Regulations*" administered by Agriculture and Agri-Food Canada or by the Canadian Food Inspection Agency (CFIA).

4.0 Definitions

Inspection: On-site monitoring and assessment against the applicable requirements of the *Food and Drugs Act* (FDA) and its associated Regulations. Inspections are routinely conducted on a predetermined cycle or as required to assess compliance.

Initial Inspection: The first inspection conducted at an establishment where not all applicable requirements of the FDA and its associated Regulations are assessed. This is not considered to be a regular inspection. For drug sites this is done prior to issuance of a new/first establishment licence.

Partial Inspection: An inspection during which not all of the applicable requirements of the FDA and its associated Regulations are assessed.

Regular Inspection: An inspection during which all of the applicable requirements of the FDA and its associated Regulations are assessed.

Re-inspection: A follow-up inspection carried out when unacceptable practices have been identified which resulted in an NC rating and for which the purpose is to ensure that corrective actions have been implemented.

Re-assessment: A follow-up inspection to an inspection which has resulted in a C rating and which is carried out for the purpose of ensuring that corrective actions have been implemented.

5.0 Policy Statement

Any Canadian establishment involved in the fabrication, packaging / labelling, testing, distribution, importation or wholesaling of a category of drugs listed in Table II of Section C.01A.008 must comply with the requirements of Division 2 (GMP) of the *Food and Drug Regulations*. Compliance will be assessed by conducting inspections with a different cycle of these establishments based on a priority ranking scale and a risk-based approach.

5.1 Inspection cycle

Noting that similar inspection cycles of pharmaceutical regulators in other jurisdictions, and taking account of the resources and priorities of the Inspectorate, the following inspection cycle targets have been established:

- fabricator, packager / labeller and testing laboratory: 24 months;
- importer, distributor and wholesaler: 36 months

These inspections are the basis for the issuance of EL to domestic sites according to the requirements described in Division 1A of the *Food and Drug Regulations*.

New establishments applying for an EL, must be ready for an inspection when submitting their application since the Inspectorate expects that all proper information and systems are in place at the time of inspection. The Inspectorate is committed to perform an initial inspection within 3 months following the date of receipt of the request. Generally this initial inspection will be followed by a regular inspection within the next 12 months (from the initial inspection).

If establishments are not prepared for an initial inspection when contacted by the Inspectorate, their EL application will be withdrawn. The company will have to resubmit an EL application with all supporting information.

Notice of upcoming inspection may or may not be provided. However, inspections are generally announced as a courtesy.

Once the date of inspection has been set and the establishment informed, the inspection should take place on the date scheduled by the Inspectorate.

Changes to dates of scheduled inspections will only be done at the discretion of the Inspectorate and upon receipt of sufficient justification from the establishment.

5.2 Reporting

All GMP related inspection activities are recorded in the Inspection Reporting System (IRS).

All GMP observations are based on the current GMP guidelines and a risk is assigned to each observation according to the Guide-0023 "Risk Classification of GMP Observations". All observations are discussed with the firm during the exit meeting and confirmed to the establishment in the Inspection Exit Notice. Either a C rating (recommended for the continuation or issuance of the Establishment Licence) or NC rating (not recommended for the continuation or issuance of the Establishment Licence), is assigned at the conclusion of the inspection.

The result of these inspections is used for the issuance of EL and Certificates of Compliance (exchanged in the framework of Mutual Recognition Agreements (MRA)).

5.3 Enforcement actions

During the course of an inspection, an inspector may face situations of non compliance. These situations will be assessed according to Health Canada's risk determination principles and appropriate enforcement actions will be taken in accordance with the principles described in "Compliance and Enforcement Policy (POL-0001)" and "GMP and EL Enforcement Directive (POL-0004)".

6.0 Responsibilities

To ensure the proper implementation of this policy:

6.1 Compliance Officers in Operational Centres are responsible for:

- inspecting domestic establishments for GMP compliance and making recommendations in support of the issuance of a license;
- suggesting terms and conditions for an Establishment Licence.

6.2 Operational Centres Managers / Supervisors are responsible for:

- planning the inspections of domestic sites within the inspection cycle target;
- ensuring the quality and uniformity of the Inspection Exit Notices issued in their Operational Centre;
- submitting all NC reports and some C reports to the Inspection Rating Review Group (IRRG).

6.3 Inspectorate Ottawa is responsible for:

- recommending the issuance of establishment licences to domestic sites based on GMP status;
- verifying that the information to demonstrate GMP compliance is valid in support of the issuance of certificates of compliance requested by Regulatory Authorities;
- ensure the uniformity of the Terms and conditions for an Establishment Licence.

6.4 Director General is responsible for:

- issuing establishment licences, with terms and conditions when appropriate;
- issuing certificates of compliance requested by Regulatory Authorities.

7.0 Effective Date

This Policy will become effective January 31st, 2008.

8.0 Associated Documents

POL-0001: Compliance and Enforcement Policy
POL-0004: GMP and EL Enforcement Directive