



Compliance Unit Trading System (CUTS)

Annual report form for companies generating compliance units

If you submitted a notification of generation of compliance units under the Compliance Unit Trading System (CUTS), **you must submit an annual report by March 1** of the year following when you generated them to Environment and Climate Change Canada (ECCC).

How to report:

Use this annual report form for each product that you have notified to generate compliance units. Your report must include information on (but is not limited to) the actual quantities, concentrations of your reformulated products, compliance unit calculations, and confirmation of whether you intend to continue generating compliance units for the next calendar year and the quantities you expect to manufacture or import. Actual quantities can be calculated using the following formula:

- Actual quantity = manufactured quantity + imported quantity – exported quantity

If your company has submitted generation notifications for multiple reformulated products, please submit sections 3 and 4 for each notification.

Refer to sections 7 to 14 of the regulations to ensure all necessary information is provided and that you understand your responsibilities under the CUTs program.

Further information on the generation, transfer and reporting under the CUTS program is available on the [Alternative Compliance Options webpage](#).

Timelines:

You must submit your report by March 1 of each year to obtain compliance units for the preceding calendar year. For example, if you submitted a form to generate compliance units in 2027, you would need to submit a report for the 2027 calendar year by March 1, 2028. If this report demonstrates the requirements of the notification were met, you will be eligible to generate compliance units from the date of your notification to the end of the calendar year in which the notification was made.

ECCC will provide you with a confirmation that you have balanced your compliance units and the number of compliance units that are available within 60 days after the day on which you submit the annual report. Compliance units whose availability is confirmed are valid for two years beginning on January 1 of the year following the calendar year in which they are generated.

Confidentiality:



Under section 313 of the Canadian Environmental Protection Act, all persons submitting information to the Minister are entitled to submit a written request that specific information be treated as confidential. Persons submitting such a request should also include the reasons for that request. Under each section of this application, you may request information be treated as confidential. You have been given space to provide your explanation. If you need more space, please attach added documents.

To promote transparency in the CUTS program, ECCC will publish a list of companies generating compliance units and their years of participation in the CUTS program on the [Alternative Compliance Options webpage](#).

Where to submit your annual report:

When your annual report is complete, please submit it either electronically to the email address Produits-Products@ec.gc.ca with the subject "Annual Report for compliance unit generator – CUTS" or by mail to:

Environment and Climate Change Canada
Products Division
351 St. Joseph Boulevard, 9th Floor
Gatineau, Quebec
K1A 0H3

Disclaimer:

Although care has been taken to ensure that this application reflects the requirements of the *Canadian Environmental Protection Act, 1999 (CEPA)* and the *Volatile Organic Compound Concentration Limits for Certain Products Regulations*, the Act and these regulations prevail over the text of this application in case of any discrepancies or inconsistencies. This application does not supersede or modify the Act or these regulations. It is ultimately the responsibility of regulatees to be familiar with the full text and application of these regulations.



Section 1 - Company information

Applicant/Company Name

Business Number

Civic Address

Postal Address Same as Civic Address

Telephone Number Fax Number (if applicable)

E-mail Address (if applicable)



Section 2 – Authorized representative

Authorized Representative Name

Authorized Representative Title

Address

Same as Section 1

Civic Address

Postal Address

Same as Civic Address

Telephone Number

Fax Number (if applicable)

E-mail Address (if applicable)

Notification
Number (s)



Section 3 - Product information

Section 3.1 – Products included in the generation report

This information applies to the reformulated product(s) covered under a single generation notification. Each generation notification applies to a single product with the same formulation. **If your company has submitted generation notifications for multiple reformulated products, please submit sections 3 and 4 for each notification.**

Provide the list of products that were included in your generation notification in Table 3.1 below. If more space is needed, extra pages can be used. If possible, please list products in the same order as provided in your permit application.

Table 3.1 – Reformulated products included in the CUTS generation application

#	Common or Generic Name	Trade Name	Stock Keeping Unit or Product Number	UPC Code	Product Weight (kg)	Product Volume (L) (Complete only if product are sold based on volume weight)
1						
2						
3						
4...						

Product Category set out in column 1 of Schedule 1 or column 1 of Schedule 2
Choose an item.

If applicable, subcategory set out in column 2 of Schedule 1
Choose an item.



Section 4 - Product concentrations and quantities

For your reformulated product that you have notified generation of compliance units, provide the following information:

This product is: Manufactured Imported Both

VOC concentration of product after reformulation (w/w%)

Date of reformulation

The total quantity of product, expressed in kilograms, manufactured and/or imported for the calendar year at the reformulated concentration

Please provide evidence to support the quantity information provided above. Please identify the source of this data and attach any applicable documentation.

For all the reformulated products that your company has included in your notification to generate, please indicate the amount of compliance unit generated, expressed in kilograms, using the following formula

$$\sum [(B_i - C_i) \times W_i]$$

where



- B_i is the maximum VOC concentration (w/w%) for each reformulated product as set out in column 3 of the table to Schedule 1 for the product category set out in column 1 or, if applicable, the subcategory set out in column 2 to which the product belongs;
- C_i is the product's VOC concentration (w/w%) after reformulation for each reformulated product; and
- W_i is the quantity, expressed in kilograms, for each reformulated product that was manufactured or imported during the year in question, excluding the quantity that was manufactured or imported for export only.

Use the table and space below and provide all information for B_i , C_i , and W_i and calculations:

Table 4.1 – Values for B_i , C_i , and W_i

Product as listed in table 3.1	Value of B_i (w/w%)	Value of C_i (w/w%)	Value of W_i (kg)	Value of $(B_i - C_i) \times W_i$ (kg)
1				
2				
3				
4...				

Total of all $(B_i - C_i) \times W_i$: _____



Show any additional details that could not be included in Table 4.1:

Are you requesting confidentiality of information provided in section 4? Yes No

If yes, please indicate what information is to be kept confidential and provide a justification.



Section 5: Confirmation of continuing with generation of compliance units

Does your company plan to continue manufacturing or importing reformulated products and generate compliance units under the CUTS program in the current calendar year?

Yes No

If yes, which notifications:

For each reformulated product, what is the expected quantity of product, expressed in kilograms, to be manufactured and/or imported per calendar year and the expected VOC concentration?

Notification Number	Expected Quantity	Manufacture, Import, or both	Expected VOC Concentration (w/w%)

Are you requesting confidentiality of information provided in section 5? Yes No

If yes, please indicate what information is to kept confidential and provide a justification.



Attestation

I _____ certify that the information within this document is complete and accurate at the time of submission

Signature _____

Date