



## Compliance Unit Trading System (CUTS)

### Annual report form for permit holders

If you have a permit under the Compliance Unit Trading System (CUTS) to manufacture or import products above the concentrations limits set out in Schedule 1, **you must submit an annual report no later than March 1 of each year** to Environment and Climate Change Canada (ECCC).

#### How to report:

**Use this annual report form for each product permit under the CUTS. You must show how you have compensated for your excess quantity of volatile organic compounds (VOCs) and confirm whether you intend to continue manufacturing or importing your product under the approved permit.** If you do not submit an annual report by March 1, then your permit will be revoked. Refer to sections 7 to 14 of the regulations to ensure all necessary information is provided and that you understand your responsibilities as a permit holder.

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

#### Timelines:

**You must submit an annual report by March 1 of each year for the preceding calendar year for each valid permit you hold.** For example, if you hold a valid permit in 2027, you would need to submit a report for the 2027 calendar year by March 1, 2028.

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 you submit your 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 permits issued, including company, product names and expiry date 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](mailto:Produits-Products@ec.gc.ca) with the subject “Annual Report for permit holder – CUTS” or by mail to:

Environment and Climate Change Canada  
Products Division  
351 St. Joseph Boulevard, 9<sup>th</sup> 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 – Permit holder information

Company Name

Business Number

Civic Address

Postal Address  Same as Civic Address

Telephone Number  Fax Number (if applicable)

E-mail Address (if applicable)

Permit Number



## 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)



### Section 3 - Product information

#### Section 3.1 – Products included in the permit report

This report applies to all the product(s) covered under this permit. The permit applies to a single product with the same formulation. Where the product formulation is the same, multiple sizes or products with different branding/labels may be under the same permit.

**Provide the list of products that were included in your permit application 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 - Products included in the permit 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 is sold based on volume weight)
1						
2						
3						
4...						

#### Section 3.2 – Identification of product category

Please identify the Product Category for the permitted product as 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 product that you have been granted a permit under the CUTS program, provide the following information:

Year of Annual Report

This product is: Manufactured Imported Both

VOC concentration of product (w/w%)

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

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 products that are included in this permit, please indicate the total quantity of VOCs in the products that are in excess of the applicable maximum VOC concentration using the following formula:

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

where

- A<sub>i</sub> is the product's VOC concentration (w/w%), for each product in respect of which a permit was issued that was manufactured or imported at, a given VOC concentration,
- B<sub>i</sub> is the regulatory maximum VOC concentration (w/w%) for each product under the permit that was manufactured or imported at a given VOC concentration, 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, and
- W<sub>i</sub> is the quantity, expressed in kilograms, for each product in respect of which a permit was issued that was manufactured or imported at a given VOC concentration, that was manufactured or imported during the year, excluding the quantity that is manufactured or imported for export only;

Use the table and space below and provide all information for A<sub>i</sub>, B<sub>i</sub>, and W<sub>i</sub> and calculations:

Table 4.1 – Values for A<sub>i</sub>, B<sub>i</sub>, and W<sub>i</sub>

Product as listed in <a href="#">table 3.1</a>	Value of A <sub>i</sub> (w/w%)	Value of B <sub>i</sub> (w/w%)	Value of W <sub>i</sub> (kg)	Value of (A <sub>i</sub> - B <sub>i</sub> ) x W <sub>i</sub> (kg)
1				
2				
3				
4...				

**Total of all (A<sub>i</sub> - B<sub>i</sub>) x W<sub>i</sub>:** \_\_\_\_\_



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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: Compensation of excess volatile organic compounds

Use the following table to show how you compensated for your excess VOC concentrations calculated in Section 4. Please add additional lines as needed for each source of compliance units.

You must show how you have compensated for your excess quantity of VOCs, either by generating compliance units or by transferring compliance units from another company. Please ensure that transfers have been previously approved by the Minister and that Generation reports have been submitted before including these in this report.

Compliance Unit (CU) Source	Number of CUs (kg VOC)	Notification number:	Compliance Unit Year
<input type="checkbox"/> Generated by your company			
<input type="checkbox"/> Transferred from others		Transferor name, and date of transfer:	

Note: if you are generating compliance units, you must also fill out a compliance unit generator annual report.

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

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



### Section 6: Confirmation of continuing with permits

Does your company plan to continue manufacturing or importing products under this CUTS permit?

Yes     No

What is the expected quantity of product, expressed in kilograms, to be manufactured and/or imported in the current calendar year and the expected VOC concentration?

Total expected product quantity, in kilograms, excluding any quantity manufactured or imported for export only:

This product will be:             Manufactured             Imported             Both

**Please note: You must notify ECCC in writing of any change to the information provided in the application for this permit**— other than the quantity of the product that is expected to be manufactured or imported each year — within 30 days after the day on which the change occurs.

Please identify if there are any changes to the VOC concentration of the product under this permit.

The VOC concentration is (w/w%):

Are you requesting confidentiality of information provided in section 6?     Yes     No

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



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## Attestation

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

Signature \_\_\_\_\_

Date