

New Substances Program Remissions Approach



Environment and
Climate Change Canada

Environnement et
Changement climatique Canada

Canada

1. Effective Date

This policy is intended to be read in conjunction with the ECCC Departmental Remissions Policy for Service Fees. The New Substances Remissions Approach will take effect on April 1, 2021.

2. Definitions

New Substances Program (NSP): The regulatory program responsible for assessing and managing new substances (including [chemicals and polymers and organisms](#)) prior to manufacture or import in Canada. The NSP is jointly delivered by Environment and Climate Change Canada (ECCC) and Health Canada (HC), and charges [fees](#) for regulatory and non-regulatory services provided under the [New Substance Notification Regulations \(Chemicals & Polymers\)](#)

Remission: A remission is a portion of the fee associated with a regulatory or non-regulatory service, such as a new substance notification, that is returned to the fee payer by the responsible authority when the performance standard for the service in question has not been met. The [Service Fees Act](#) (SFA) requires that remissions must be paid to the fee payer before July 1 of the following fiscal year.

Low-materiality: As outlined in the SFA, low-materiality fees are not subject to remissions, nor to annual Consumer Price Index adjustments. The [Low-Materiality Fees Regulations](#) define low-materiality fees as those fees that are less than \$51 and fees that are equal to or greater than \$51 but less than \$151 if the annual fee revenue collected by the Program is below \$500,000. Section 3 identifies the NSP fees that are considered low-materiality.

Masked Name: Services to assess a masked name application if the chemical name of the notified substance is claimed as confidential.

Confidential Search (BonaFide): Search to determine if a substance appears on either the confidential portion of the Domestic Substances List (DSL) or the confidential portion of the Non Domestic Substances List (NDSL).

3. Scope and Application

3.1 Scope

Table 1 below presents the performance standards for the assessment of new chemicals and polymers based on section 16 of the [New Substances Notifications Regulations \(Chemicals and Polymers\)](#). If further time is necessary for the assessment, an extension may be granted under Section 83 (4) of the [Canadian Environmental Protection Act](#). When this occurs, the fee-payer will be eligible to receive remissions if the program does not meet the new extended timeline.

Table 1: Current timelines for services associated with a fee under the *New Substances Notification Regulations (Chemicals and Polymers)*

Chemicals and Polymers		
Schedule	Regulatory timeline in calendar days ^d	Service to be delivered by the NSP within the regulatory timeline:
1 (except R&D – Research & Development)	30	Assessment decision ^e
3 (except R&D)	30	Assessment decision ^e
4 (NDSL – Non Domestic Substance List)^a	30	Assessment decision ^e
4 (Not on the NDSL)^a	5	Assessment decision ^e
5 or 5 (final)^b	60	Assessment decision ^e
6	75	Assessment decision ^e
9 or 9 final^c	30	Assessment decision ^e
10	60	Assessment decision ^e
11	60	Assessment decision ^e

^aNote that Sch.4 notifications submitted by fee-payers with annual sales equal to or below \$26 million are not subject to remissions because the fees are low-materiality.

^b Chemical listed on the NDSL

^c Polymer that meets the Reduced Regulatory Requirement polymer criteria. Note that Sch.9 notifications submitted by fee-payers with annual sales equal to or less than \$13 million are not subject to remissions because the fees are low-materiality.

^d The timeline starts once all of the administrative information, the prescribed fees, and all of the information prescribed by the notified Schedule of the *New Substances Notification Regulations* are submitted to the NSP and is considered complete. The NSP will make best efforts to determine completeness at the outset of the process (screening phase prior to acknowledgement letter). However if information is determined to be missing at any point during the assessment period, the fee-payer will be informed of the missing information and the timeline will be restarted once the information has been submitted.

^e The assessment decision can be a communication of the assessment conclusion, a communication of early termination of the regulatory timeline or a communication that the regulatory timeline has been extended.

Table 2: Proposed timeline for services not identified in the regulations

Service	Proposed timeline in calendar days ^g	Service to be delivered
Confidential Search (BonaFide) ^f	15	Communication of search results or that search cannot be completed
Masked Name Application	60	Communication of the assessment decision for the Masked Name application

^f Note that Confidential Search notifications submitted by fee-payers with annual sales equal to or below \$26 million are not subject to remissions because the fees are low-materiality.

^g The timeline starts once the prescribed fees and all of the information set out in the corresponding [Guidelines for the Notification and Testing of New Substances: Chemicals and Polymers](#)) and/or the [Masked Names Regulations](#) are submitted to the NSP and is considered complete. If information is later determined to be missing at any point during the provision of these services, the fee-payer will be informed of the missing information and the timeline will be restarted once the information has been submitted.

3.2 Application

A remission payment of 25% of the fee will be returned to the fee-payer if the regulatory or non-regulatory service is not completed by the end of the applicable timeline stated above, except for those fees considered low-materiality. The remission rate of 25% is based on current industry standards.

Fee-payers will be informed that they are owed a remission payment by email, and can expect to receive their remission payment within 3 months of said notification. Remissions will be paid out in the same manner that the incoming fees were received.

4. Monitoring and Reporting

4.1 Monitoring

The New Substances Remissions Approach will be reviewed after twenty-four (24) months from its effective date. Fee-payers and other stakeholders will have the opportunity to provide feedback during the review.

Subsequent reviews will be carried out every five years after the first review.

4.2 Reporting

On an annual basis, ECCC is required by the *Service Fees Act* to develop and publish an [Annual Report to Parliament for the Service Fees Act](#), which reports on each fee charged, remissions that were paid, as well as the department's performance in meeting its performance standards.

5. References

- a) [Service Fees Act](#)
- b) [Canadian Environmental Protection Act](#)
- c) [New Substances Notification Regulations \(Chemicals and Polymers\)](#)
- d) [Masked Name Regulations](#)
- e) [Low-Materiality Fees Regulations](#)
- f) [Guidelines for the Notification and Testing of New Substances: Chemicals and Polymers](#)
- g) [Annual Report to Parliament for the Service Fees Act](#)
- h) [New Substances Notification Fees web page](#)
- i) [Fees Table](#)
- j) [Frequently Asked Questions](#)

6. Inquiries/Comments/Complaints

For interpretation, clarification or inquiries regarding this document or regarding a particular remission, please contact the Substances Management Information Line using the contact information below.

Any comments or complaints regarding the application of this policy can also be sent to the Substances Management Information Line.

Substances Management Information Line

Science and Technology Branch

Environment and Climate Change Canada

Place Vincent Massey, 351 St. Joseph Blvd

Gatineau QC K1A 0H3

Telephone: 1-800-567-1999 (Toll Free in Canada) or 1-819-938-3232 (Outside of Canada)

Facsimile : 1-819-938-5212

E-mail: eccc.substances.eccc@canada.ca

In the event that a fee payer is not satisfied with a response received by the NSP on an inquiry regarding a particular remission, they can request a second level review by the Department's contact, as set out in the Departmental Remissions Policy for Service Fees.