



Environment and
Climate Change Canada

Environnement et
Changement climatique Canada

BRINGING THE NEW SUBSTANCES PROGRAM INTO COMPLIANCE WITH THE *SERVICE FEES ACT*



Canada 

Outline

- Introduction to the *Service Fees Act*
- New Substances Program Performance Standards
- New Substances Program Approach to Remissions
- Benefits to Regulated Parties and other Stakeholders



INTRODUCTION TO THE *SERVICE FEES ACT*

What is the SFA?

- The SFA came into force in June 2017
- Broadly speaking, the Act aims to increase transparency, accountability and predictability regarding service fees that the Government charges to Canadians, including regulated parties.
- Treasury Board Secretariat is responsible for overseeing implementation of the Act across all Government of Canada departments and agencies



Legislative Obligations (1)

Section 4: a performance standard must be established in respect of a fee

- The New Substances Program (NSP) has proposed performance standards for confidential search and masked names as these do not currently exist

Section 6: a performance standard with respect to a fee must be accessible to the public

- A table of current performance standards is available in the draft NS Remissions Approach posted on the NSP website ([New Substances Notification Fees](#))



Legislative Obligations (2)

Subsection 7 (1): a portion of the fee must be returned to any affected person before July 1 of the following fiscal year if a performance standard is missed

- The NSP already tracks its performance against current standards (referred to as assessment timelines) set out in the NSNR(C&P)
- It will do the same for Masked Name applications and Confidential Search requests once its Remissions Approach is in effect
- The process for issuing remissions will be the same for all ECCC programs that charge fees



Legislative Obligations (3)

Subsection 7 (2): an appropriate portion of the fee to be remitted is made in accordance with TB policies and directives

- NSP has developed its Remissions Approach based on the ECCC Departmental Remissions Policy and in accordance with the TBS Directive on Charging and Special Financial Authorities
- The NSP Remissions Approach will come into effect on April 1, 2021.



Legislative Obligations (4)

Subsection 20 (1): In each fiscal year, a responsible authority must, in accordance with Treasury Board policies or directives, if any, cause a report to be tabled before each House of Parliament that sets out, among other things:

- the total fees payable in the previous year;
- any revenue derived from said fees;
- the degree of compliance with any performance standards established in respect of those fees;
- any remissions made under section 7 in respect of those fees
- ECCC will prepare this report, with information provided by the NSP



NEW SUBSTANCES PROGRAM PERFORMANCE STANDARDS

NSNR (Chemicals and Polymers) Performance Standards (1a)

10

Chemicals and Polymers		
Schedule	Regulatory timeline in calendar days	Service to be delivered within the regulatory timeline:
1 (except R&D – Research & Development)	30	Assessment decision
3 (except R&D)	30	Assessment decision
4 (NDSL – Non Domestic Substance List)	30	Assessment decision
4 (Not on the NDSL)	5	Assessment decision



NSNR (Chemicals and Polymers) Performance Standards (1b)

11

Chemicals and Polymers		
Schedule	Regulatory timeline in calendar days	Service to be delivered within the regulatory timeline:
5 or 5 (final)	60	Assessment decision
6	75	Assessment decision
9 or 9 final	30	Assessment decision
10	60	Assessment decision
11	60	Assessment decision



NSNR (Chemicals and Polymers) Performance Standards (2)

12

So what do we mean by the reference to an “assessment decision” being the service provided?

- It means that we will have communicated an assessment decision to the notifier, where an assessment decision can be any of the following:
 - communication of the conclusion of the assessment,
 - communication of early termination of the regulatory timeline, or
 - communication that the regulatory timeline has been extended.



NSNR (Chemicals and Polymers) Performance Standards (3)

13

- The timeline starts (day zero) once all the following are submitted to the NSP and is deemed complete:
 - Administrative info
 - Fees
 - Information prescribed by the notified schedule of the NSNR(C&P)
- If information is determined to be missing at any point during the assessment period, the notifier will be informed and the timeline may be restarted to day zero once the information has been submitted.



NSNR (Chemicals and Polymers) Performance Standards (4)

14

- Communication will be by email.
- For example, in the case of a Schedule 9 New Substances notification (which has a 30 day performance standard), a notifier can expect to receive an email regarding the Program's assessment decision before the end of the 30th calendar day from the date a complete NSN was received.



New Proposed Performance Standards (1)

Chemicals and Polymers	
Other New Substances Services	Proposed performance standards (calendar days)
Masked Name Application	60
Confidential Search	15



New Proposed Performance Standards (2)

- The timeline starts once all the following are submitted to the NSP:
 - Administrative info
 - Fees
 - Information prescribed by the corresponding Guidance and/or *Masked Name Regulations*
- If information is determined to be missing at any point during the assessment period, the notifier will be informed and the timeline may be restarted to day zero once the information has been submitted.



NEW SUBSTANCES PROGRAM APPROACH TO REMISSIONS

Benefits to Regulated Parties

- Increased Transparency and Predictability
 - New performance standards proposed for masked names and confidential search
 - All standards, Remissions Approach and FAQ posted on the Program's website ([New substances notification fees](#))
- Increased Accountability
 - Remission of 25% of the fee to fee payer if performance standard is missed
 - New Substances Approach to Remissions must be reviewed on a regular cycle starting in 2023
 - Complaints mechanism



Scope

- Most NS fees are subject to remissions and will be increased annually by CPI as per the *Service Fees Act*.
- There are currently no fees for the New Substances Notification Regulations (Organisms) and therefore remissions does not apply.
- A few NS fees fall into the category of low materiality fees as per the [*Low-materiality Fees Regulations*](#)
- For the NSP, this means all fees that were less than \$151 as of May 2019 are considered low materiality.
- Low materiality fees will not increase by inflation annually and are not subject to remissions.



Low Materiality Fees

Notifier's Annual Sales in Canada (million)	NSNR Schedule 4	NSNR Schedule 9	Confidential Search of DSL and NDSL
≤\$13	Low-Materiality	Low-Materiality	Low-Materiality
>\$13-≤26	Low-Materiality	Material	Low-Materiality
>\$26-≤40	Material	Material	Material
>\$40	Material	Material	Material



Determination of Eligibility for a Remission

- Eligibility is always based on whether a service is not delivered relative to the performance standard
- NSNR(C&P) notification schedules
 - Assessment decisions are communicated by email within the schedule-specific timeline after receipt of a complete package
- Masked Names Application
 - Evaluation conclusions for the approval of a proposed masked name are issued by email within 60 calendar days of receipt of a complete package (*proposed performance standard*)
- Confidential searches on the DSL for chemicals and polymers
 - Search results are issued by email within 15 calendar days of receipt of a complete package (*proposed performance standard*)



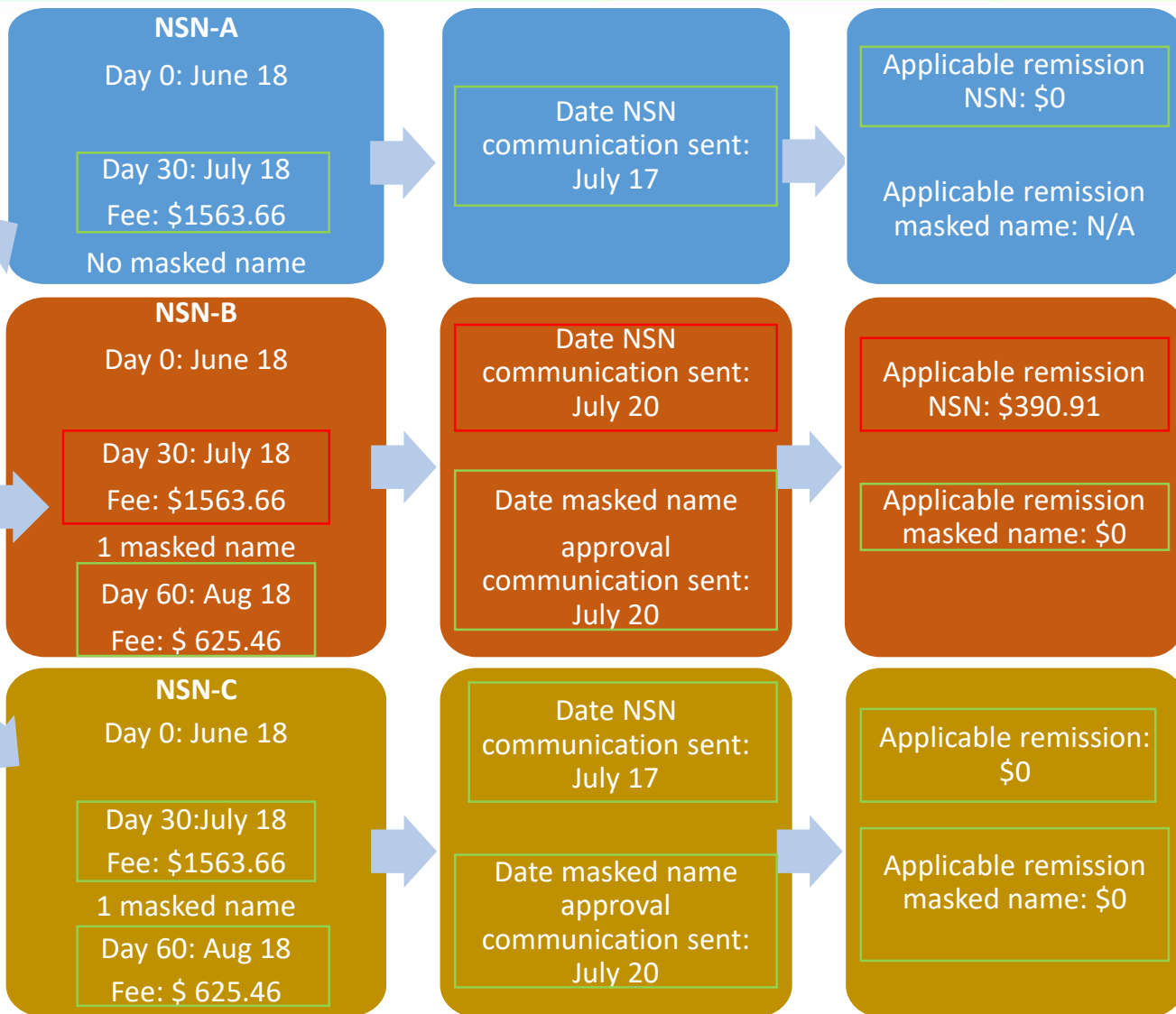
Remissions Approach Case Study

A company submits 3 complete NSNs on June 18, 2021

All are schedule 9
Reduced Regulatory
Requirement (RRR)
NSNs (30 day
evaluation)

Service standard
met

Service standard
not met



Communication, Tracking and Reporting

- Tracking and Reporting:
 - The NSP is required to track compliance against every performance standard subject to the Remissions Policy (NSN, Masked Name and Confidential Search)
- If a performance standard is missed:
 - An email will be sent to the notifier by the Program acknowledging that the performance standard has been missed and that a remission will be issued in the same manner in which the incoming fees were received.
 - 25 per cent of the fee must be returned to the notifier before July 1 of the following fiscal year (April-March)



Review of the NSP Approach to Remissions

- Review of Approach
 - First review will take place within 2 years from the date of implementation of April 1, 2021.
- Inquiries/Comments/Complaints :
 - Notifiers can contact the Substances Management Information Line should they have concerns or questions with respect to a particular remission.
 - Should notifiers not be satisfied with the response from the Information Line, they can request a second level review by the Department.
 - Appropriate second level review contacts will be set out in the ECCC Departmental Remissions Policy to be published by April 1, 2021.



Next Steps

- Stakeholders can submit comments on the [draft New Substances Remissions Approach](#) until January 6, 2021 via the Substances Management Information Line:
Email: ecccc.substances.ecccc@canada.ca
Phone: 1-800-567-1999 or 1-819-938-3232
- Link to webinar recording will be sent to all stakeholders once available.
- The final New Substances Remissions Approach and the ECCC Departmental Remissions Policy will be posted online on April 1, 2021.



Contact Information

- Substances Management Information Line
Email: ecccc.substances.ecccc@canada.ca
Phone: 1-800-567-1999 or 1-819-938-3232
- Website: www.canada.ca/new-substances

