



16 July 2019

(19-4723)

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Committee on Technical Barriers to Trade

Original: English/French

### NOTIFICATION

The following notification is being circulated in accordance with Article 10.6

<b>1. Notifying Member:</b> <u>CANADA</u> <b>If applicable, name of local government involved (Article 3.2 and 7.2):</b>
<b>2. Agency responsible:</b> Department of the Environment and Department of Health <b>Name and address (including telephone and fax numbers, email and website addresses, if available) of agency or authority designated to handle comments regarding the notification shall be indicated if different from above:</b>  Canada's Notification Authority and Enquiry Point Global Affairs Canada Technical Barriers and Regulations 111 Sussex Drive Ottawa, ON K1A 0G2 CANADA Tel: 343-203-4273 Fax: 613-943-0346 E-mail: <a href="mailto:enquiry@international.gc.ca">enquiry@international.gc.ca</a>
<b>3. Notified under Article 2.9.2 [X], 2.10.1 [ ], 5.6.2 [X], 5.7.1 [ ], other:</b>
<b>4. Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable):</b> Ozone-depleting substances (ODSs) and hydrofluorocarbons (HFCs) (ICS: 13.020, 71.080, 71.100)
<b>5. Title, number of pages and language(s) of the notified document:</b> Proposed Regulations Amending the Ozone-depleting Substances and Halocarbon Alternatives Regulations (19 pages, available in English and French).
<b>6. Description of content:</b> The Hydrochlorofluorocarbons (HCFC) are ozone-depleting substances and, along with hydrofluorocarbons (HFCs), are potent greenhouse gases having a global warming potential that can be hundreds to thousands of times greater than carbon dioxide. HFCs and HCFCs are on the List of Toxic Substances under the Canadian Environmental Protection Act, 1999 (CEPA) and are controlled by the Regulations.  The proposed Amendments aim to ensure the adequate supply of HCFC-123 for use as a fire-extinguishing agent in situations where an alternative may not be available for certain critical aircraft rescue and firefighting applications. In light of the 2018 adjustment to the Montreal Protocol that allows for the consumption of HCFCs for specific applications within the existing phase-out framework, the proposed Amendments would extend the consumption allowance of HCFC-123 to service fire-extinguishing equipment until 31 December 2029. Currently, the Regulations do not allow the use of HCFC-123 for this purpose beyond 31 December 2019.  The Regulations are also the instrument through which Canada implements its obligations under the Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal

Protocol), including the Kigali Amendment to phase down HFCs. The last amendments to the Regulations entered into force on 16 April 2018 to establish the phase-down of HFCs that started on 1 January 2019.

After the coming into force of these amendments, new information was received from companies in April and May 2018. A thorough review of the data revealed that the total Canadian HFC consumption baseline used to calculate the maximum amount of HFCs that can be imported by allowance holders was not accurate. It was therefore amended with an Interim Order in October 2018. However, the Interim Order ceases to have effect on the day it is repealed, the day regulations having the same effect as the interim order are made, or two years after the interim order is made, whichever event happens first. Consequently, the Minister of the Environment and the Minister of Health can recommend to the Governor in Council that regulations having the same effect as the Interim Order be made before the two years elapse. It is therefore proposed to amend the Regulations to reflect the Canadian HFC consumption baseline of 18 008 795 tonnes CO<sub>2</sub> equivalent, as was made with the Interim Order.

The second proposed change would extend, until 31 December 2029, provisions in the Regulations that allows the consumption of HCFC-123 to service existing fire extinguishing systems. The Regulations currently only allow the consumption of HCFC for such uses until December 31, 2019. This proposed amendment to the Regulations would align with a recent adjustment to the Montreal Protocol adopted at the 30th Meeting of the Parties to ensure these life safety systems can continue to be serviced until 2029 if needed. Canada was one of the proponents of this Montreal Protocol's adjustment.

- 7. Objective and rationale, including the nature of urgent problems where applicable:** Protection of the environment and human health. The objective of the proposed Amendments to the Ozone-depleting Substances and Halocarbon Alternatives Regulations (the proposed Amendments) is to amend the consumption baseline value that is used to determine the HFC quantities that can enter Canada under the HFC phase-down process, which started on January 1, 2019, to reflect corrected consumption data reported by companies importing HFCs in bulk. Amending this baseline is expected to reduce Canadian greenhouse gas (GHG) emissions, in order to help limit increases in global average temperatures. It would ensure Canada continues to meet its international obligations under the Kigali Amendment to the Montreal Protocol.

**8. Relevant documents:**

- *Canada Gazette*, Part I, 15 June 2019, Pages 2711-2730 (available in English and French)

- 9. Proposed date of adoption:** Within 12 months of publication in the *Canada Gazette*, Part I

**Proposed date of entry into force:** These Regulations will come into force 180 days after the day on which they are published in the *Canada Gazette*, Part II.

- 10. Final date for comments:** 29 August 2019

- 11. Texts available from: National enquiry point [X] or address, telephone and fax numbers and email and website addresses, if available, of other body:**

The electronic version of the regulatory text can be downloaded at:

<http://www.gazette.gc.ca/rp-pr/p1/2019/2019-06-15/html/req6-eng.html>  
<http://www.gazette.gc.ca/rp-pr/p1/2019/2019-06-15/html/req6-fra.html>