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# VOLATILE ORGANIC COMPOUND CONCENTRATION LIMITS FOR CERTAIN PRODUCTS REGULATIONS

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March 21, 2023

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# VOLATILE ORGANIC COMPOUND (VOCS)

- VOCs are a main contributor to ground-level ozone and particulate matter, two main components of smog
- VOCs were added to the List of Toxic Substances (Schedule 1) of the Canadian Environmental Protection Act, 1999 (CEPA) in July, 2003
  - Defined as compounds that participate in atmospheric photochemical reactions and are not excluded under item 65 of [Schedule 1 to CEPA](#)
  - As thousands of VOCs exist, a complete list of these substances cannot be readily compiled.
    - The definition excludes substances that have been assessed as having weak photoreactive properties.

# VOC CONCENTRATION LIMITS FOR CERTAIN PRODUCTS REGULATIONS

- Establishes VOC limits for approximately 130 product categories and subcategories including:
  - Personal care products
  - Automotive, household maintenance and cleaning products
  - Adhesives, adhesive removers, sealants and caulks
  - Other miscellaneous products
- Applies to products **manufactured in or imported into Canada**
  - No restriction on sale; products in Canada prior to January 1, 2024 (January 1, 2025 for disinfectants) have no limit on sell-through
- Important dates
  - **January 1, 2023:** companies can start applying for alternative compliance options including permits and generation of compliance units
  - **January 1, 2024:** limits in effect for all products (except disinfectants)
  - **January 1, 2025:** limit in effect for disinfectants

# PRODUCT CATEGORIES FOR THE COSMETIC SECTOR

- Products of interest covered by the regulations include:
  - Astringent, toner or clarifier
  - Antiperspirant and deodorant for the human axilla
  - Heavy-duty hand cleaner or soap
  - Hairstyling mousse, hairspray, hair products that are designed for the primary purpose of creating a shine
  - Temporary hair-colour products, other hairstyling products
  - Nail polish remover
  - Personal fragrance products
  - Shaving cream or foam, shaving gel
- Details for these and other product categories are located in Schedules 1 and 2 of the Regulations.

# CORRECTION TO ITEM 11 - PERSONAL FRAGRANCE PRODUCTS SUBCATEGORY

## (ENGLISH TEXT ONLY)

### **Product Category:**

Personal fragrance products, excluding any product that is

- (a) designed to alleviate fungal or bacterial growth and regulated as a drug under the Food and Drugs Act;
- (b) a skin care product that is designed to alleviate skin conditions such as dryness or irritations;
- (c) designed exclusively to be applied to genitalia, undergarments or sanitary pads;
- (d) designed for cleaning the body; or
- (e) designed for use in the mouth

### **Subcategory:**

- (i) product containing fragrance less than or equal to 20% based on net weight – 75 % w/w
- (ii) product containing fragrance greater than ~~or equal to~~ 20% based on net weight - 65 % w/w

- **Products containing 20% of fragrance should be captured in the subcategory (i) and therefore excluded from subcategory (ii)**
- **Text is correct in French version of the Regulations**

# COMMON QUESTION – SELECTING PRODUCT CATEGORIES

- The onus is on the manufacturer or importer to determine if their product is subject to the regulations and to which product category they belong
  - ECCC does not have access to complete information on the specific products in question
- To classify a product, consider:
  - the information on the product's container/label and/or
  - any documentation relating to the product that is supplied by the product's manufacturer or importer or their authorized representative.
- Note: It is also possible for products to have multiple purposes. In most cases, if a product belongs to more than one product category, the applicable maximum VOC concentration is the lowest for the product categories to which the product belongs.

# SCOPE AND APPLICATION

- **The Regulations exclude products that are:**
  - designed to be used solely in a manufacturing or processing activity
  - to be used solely in a laboratory for analysis, in scientific research or as a laboratory analytical standard
  - regulated under the Pest Control Products Act
  - manufactured or imported for export only
  - adhesives that are to be sold in containers of 30 ml or less
  - regulated by the VOC Concentration Limits Regulations for architectural coatings or automotive refinishing
  - used in or on a new car at the time of its manufacture
  - in transit through Canada, from a place outside Canada to another place outside Canada
- Many products also exempt fragrances <2%
- Other product category specific exemptions may be detailed in the Regulations

# SCOPE AND APPLICATION (CONT'D)

- **Products that fit in more than one category** need to meet the lowest limit
  - Except antiperspirants, deodorants, hair shine products and general purpose cleaners
- For **concentrated products**, limits apply once diluted as per instructions on the label or accompanying documentation
  - Except multi-purpose solvents and paint thinners
- Manufacturers and importers must **label the product** with date of manufacture (or date code)
  - If a date code is used, you must inform the Minister how to read the code
- **No mandatory testing** requirements
  - ECCC published guidance materials to identify test methods to verify regulatory compliance
- **No general reporting** requirements
  - Companies choosing to participate in alternative compliance programs may have reporting obligations
- **Records and supporting documents must be kept at the person's principal place of business in Canada** or any other place in Canada where they can be inspected
  - If records are not kept at the person's principal place of business, the person must provide the Minister with the civic address in Canada of where they are kept
  - Records and supporting documents must be retained for at least five years after the day on which they are made



# ALTERNATIVE COMPLIANCE OPTIONS OVERVIEW

## 1. Permit – Technical or Economic Non-feasibility (TENF)

- Temporary permit for products that will be otherwise unable to comply when the regulatory limits come into effect for technical or economic reasons
- Application must include evidence, and a plan and timeline to reach compliance

## 2. Permit – Product Whose Use Results in Lower VOC Emissions (PULE)

- Allows innovative products to exceed the VOC concentration limit if, as a result of product design, formulation, delivery or other factors, it results in lower total VOC emissions than a comparable compliant product when used according to manufacturer's written instructions

## 3. VOC Compliance Unit Trading System (CUTS)

- Allows companies to:
  - Generate compliance units for products reformulated to reduce VOCs below the regulatory limits
  - Transfer unused compliance units to other companies
  - Balance emissions from products that exceed regulatory limits using compliance units
  - Permits are needed for products that exceed regulatory limits

- **Information regarding permits issued and the associated products will be made public to promote transparency**

- Company and product names.

# 1. PERMIT – TECHNICAL OR ECONOMIC NON-FEASIBILITY

- Temporary permit for products that will be otherwise unable to comply when the regulatory limits come into effect for technical or economic reasons
- Provides temporary flexibility for manufacturers and importers to meet requirements in the Regulations.
- Conditions for issuance include:
  - Evidence that it is not technically or economically feasible to reduce the concentration of VOCs in the product at the time of application
  - A plan identifying measures to ensure the product will meet the limit
  - Specification of the period of time (not more than two years from date of issue of the permit) in which the plan will be fully implemented
- Permits must be applied for and granted in advance of January 1, 2024 (or January 1, 2025 for disinfectants)
  - Would be valid for up to 2 years from the date issued.
  - Renewable once for a second period up to 2 years.
  - Applications for renewal must be submitted 90 days prior to expiry

## 2. PERMIT – PRODUCTS WHOSE USE RESULTS IN LOWER VOC EMISSIONS

- Allows innovative products to exceed the VOC concentration limit if, as a result of product design, formulation, delivery or other factors, it results in lower total VOC emissions than a comparable compliant product when used according to manufacturer's written instructions.
- Conditions for issuance of this type of permit include providing:
  - Contact information
  - Trade name, concentration and applicable product category
  - Estimated quantity manufactured or imported in a calendar year
  - Evidence that establishes that the product use results in lower VOC emissions than a compliant product from the same category
- Valid for up to 4 years from the date issued.
  - Renewable - Applications for renewal must be submitted 90 days prior to expiry

### 3. VOC COMPLIANCE UNIT TRADING SYSTEM

- **Companies with products that exceed regulatory limits can comply by balancing their emissions with:**
  - Other products with VOC levels reformulated to below the regulatory limits (averaging); or
  - By purchasing compliance units (trading)
- **A Permit** would be issued for products that exceed regulatory limits to facilitate enforcement.
  - Permits would be cancelled if annual reporting of actual quantities shows emissions are not balanced (or lower)
- **To apply or renew a permit**, companies need to provide information on:
  - Products that will exceed limits
  - A plan to compensate for VOCs in excess of limits by earning or trading compliance units. Companies provide forecasted manufacture and import data to demonstrate that overall emissions will be neutral or reduced
- Calculations and issuance of compliance units based on a calendar year.
- **Companies trading compliance units must jointly apply to the Minister.**

### 3. VOC COMPLIANCE UNIT TRADING SYSTEM (CONT'D)

- **Generating Compliance Units:**

- Companies must submit a **notice of intent to generate compliance units** before October 1 of the year in which they want to start earning compliance units including product information, forecast quantities, reformulation details, etc.
- Compliance units can be earned from the date of application or reformulation to the end of year for products that have been reformulated to reduce VOCs
  - The reformulated products must be the same product before and after reformulation
- Requires **reporting** of actual quantities in Canada (manufactured + imported – exported) **by March 1** of the following year
  - Companies must also signal intent to continue in the program and update quantity forecasts
- Companies will be issued compliance units within 60 days of a complete report.

- **Using Compliance Units:**

- Earned compliance units are available for use or trade for 2 years
- Requires **reporting by March 1** of the following year for any year where there is an active permit or where compliance units are used
- If a company holds a permit but does not submit a report, or if the report does not demonstrate how they will balance emissions, the permit will be cancelled

# USEFUL REFERENCES AND CONTACT INFO

## For more information:

VOCs in certain products: <https://www.canada.ca/en/environment-climate-change/services/managing-pollution/sources-industry/volatile-organic-compounds-consumer-commercial/certain-products.html>

- [Alternative Compliance Options](#) Information and forms

ECCC published two guidance documents:

- [Regulatory Fact Sheet](#)
  - Overview of the key aspects of the Regulations and guidance on the manufacturing and processing exemption
- [Laboratory test method](#) - Based on CARB 310
  - Analytical Methods for Determining VOC Concentrations and VOC Emission Potential for the *Volatile Organic Compound Concentration Limits for Certain Products Regulations*
  - This methodology will be used by enforcement personnel to determine compliance with the regulatory provisions

## CONTACT US:

### Products Division

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