



Proposal to amend REGDOC-2.13.2, Import and Export

Discussion Paper DIS-24-02

April 2024



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Également publié en français sous le titre : DIS-24-02, Proposition de modification du REGDOC-2.13.2, Importation et exportation

Document availability

This document can be viewed on the [CNSC website](#). To request a copy of the document in English or French, please contact:

Canadian Nuclear Safety Commission
280 Slater Street
P.O. Box 1046, Station B
Ottawa, Ontario K1P 5S9
CANADA

Tel.: 613-995-5894 or 1-800-668-5284 (in Canada only)

Facsimile: 613-995-5086

Email: cpsc.info.ccsn@cpsc-ccsn.gc.ca

Website: cpsc-ccsn.gc.ca

Facebook: facebook.com/CanadianNuclearSafetyCommission

YouTube: youtube.com/cpsc-ccsn

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LinkedIn: linkedin.com/company/cpsc-ccsn

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Executive Summary

The Canadian Nuclear Safety Commission (CNSC) regulates the use of nuclear energy and materials to protect the health, safety and security of Canadians and the environment, and to implement Canada's international commitments on the peaceful use of nuclear energy. This includes overseeing the import and export of nuclear and nuclear-related dual-use materials, equipment, and information in accordance with the *Nuclear Non-proliferation Import and Export Control Regulations*.

The CNSC is revising REGDOC-2.13.2, *Import and Export* to align with the proposed amendments to the *Nuclear Non-proliferation Import and Export Control Regulations*.

The aim of this discussion paper is to solicit input from licensees, applicants, proponents, the Canadian public, Indigenous Nations and Communities and other stakeholders regarding the proposed revisions to REGDOC-2.13.2, *Import and Export*. The feedback gathered through this consultation process will inform the CNSC's approach to revising the regulatory document.

Interested parties can submit comments on this paper on the CNSC's e-consultation platform [Let's Talk Nuclear Safety](#).

DIS-24-02, Proposal to amend REGDOC-2.13.2, *Import and Export*

1. Introduction

Canada is a signatory to the [Treaty on the Non-Proliferation of Nuclear Weapons](#) (NPT) which has been the cornerstone of the international nuclear non-proliferation regime since 1970. States that are party to the NPT have commitments and obligations in the areas of non-proliferation, disarmament, and the peaceful use of nuclear material and technology. Under the NPT, Canada has committed to:

- abstain from receiving, manufacturing, acquiring nuclear weapons or any other nuclear explosive devices
- accept International Atomic Energy Agency (IAEA) safeguards on all (nuclear material) in all peaceful nuclear activities within Canada
- ensure its exports of nuclear material are subjected to IAEA oversight

The Canadian Nuclear Safety Commission (CNSC) is responsible for upholding Canada's commitments on the peaceful use of nuclear energy as outlined in international agreements, including regulating the import and export of specific nuclear and nuclear-related dual-use items, referred to as controlled nuclear substances, equipment and information.

REGDOC-2.13.2, *Import and Export* outlines the criteria that the CNSC evaluates when assessing applications for the import or export of controlled nuclear substances, equipment and information as detailed in the [Nuclear Non-proliferation Import and Export Control Regulations](#) (NNIECR).

The CNSC proposes to change REGDOC-2.13.2 to align with the proposed amendments to the NNIECR, which are currently available for public consultation in Canada Gazette Part I, under the [Regulations Amending Certain Regulations Made Under the Nuclear Safety and Control Act \(Imports, Export and Safeguards\)](#).

Interested parties can submit comments on this paper via Let's Talk Nuclear Safety until June 13, 2024.

1.1 Scope

This document offers comprehensive guidance on several aspects concerning imports and exports, including:

- CNSC service standards for processing licence applications, amendments and transfers
- reporting requirements
- disclosure of non-compliances
- new requirements for licence applications
- explanatory notes on various controlled nuclear substances, equipment and information listed in the NNIECR

The proposed revisions stem from feedback obtained through internal analysis, a previous discussion paper [DIS-15-01, Proposal to Amend the Nuclear Non-proliferation Import and Export Control Regulations](#), as well as input received during two stakeholder consultation sessions held in 2021.

2. Description of Proposed Changes

2.1 Service standards

REGDOC-2.13.2 outlines various service standards for the CNSC to process licence applications, amendments, or transfers. While the CNSC strives to process all these requests promptly, meeting a 15-day service standard has become increasingly challenging. Often, the CNSC needs to seek additional information from other stakeholders or countries to complete the assessments. Moreover, the use of two distinct service standards has occasionally led to confusion among applicants regarding which standard applies. Consequently, the CNSC has introduced a unified 30-day standard for all import and export licensing decisions to accurately reflect processing times and establish clearer expectations. Licensees were informed of this change upon the implementation of the revised service standards.

2.2 What import and export licences authorize

While CNSC licences specify the items and quantities that licensees are permitted to import or export, licensees frequently seek clarifications regarding the transactions authorized under their licence. Since each licence is tailored to the licensee's import and export activities, it is not feasible to encompass all types of authorizations in the REGDOC. Nevertheless, the CNSC intends to provide examples of more complex authorizations, such as exporting to multiple countries under a single licence.

Additionally, the CNSC will introduce a new appendix containing examples of import and export licence conditions along with guidance on the corresponding reporting requirements.

Question:

Are there any other topics that would require additional information or guidance in this section?

2.3 Evaluation of licence applications

The CNSC is contemplating including further examples of intangible transfers involving controlled nuclear information. For instance, this would encompass scenarios such as remote work conducted outside of Canada, particularly when workers receive digital information directly or access it through a server.

Question:

What examples of intangible transfers involving controlled nuclear information should the CNSC include in the REGDOC?

2.4 Compliance with CNSC requirements

The proposed amendments to subsections 4(1) of the NNI ECR involve introducing new items that would no longer require a CNSC import or export licence. However, the proposed amendments to subsection 4(3) would mandate exporters to report all their exports of nuclear grade graphite and self-luminous sources or devices to the Participating Government of the Nuclear Suppliers Group to the CNSC.

The CNSC will provide guidance on what should be included in the reports.

2.5 Updating existing appendices

Appendix B: Disclosure of Non-Compliance

Appendix B outlines the details that licensees should incorporate into their letter to the CNSC when reporting instances of non-compliance with either the *Nuclear Safety and Control Act*, the NNIECR or their import and export licences. However, it does not currently offer examples of non-compliance. The CNSC is considering the addition of such examples along with guidance on how to disclose them.

Questions:

What type of examples of non-compliance would be helpful for importers and exporters?

What other information on what should be included in the cover letter would be useful to add for importers and exporters?

Appendix C: How to Complete Import and Export Applications for Nuclear and Nuclear-Related Dual-Use Items

The upcoming revisions to the REGDOC will align the following forms with the proposed amendments to subsection 3(1) of the NNIECR particularly concerning import/export processes and the inclusion of Canada Revenue Agency business number:

- *Application for a Licence to Import Nuclear Items*
- *Application for a Licence to Export Nuclear and Nuclear-Related Dual-Use Items*

2.6 New appendices

Appendix E: Technical Guidance for the Nuclear Non-proliferation Import and Export Control Regulations

The NNIECR provides high-level information regarding various controlled nuclear substances, equipment and information. This new appendix aims to furnish additional technical and explanatory notes for specific items listed in the NNIECR. The purpose is to enhance guidance for importers and exporters, such as providing clarification on topics like the calculation of boron equivalency for nuclear grade graphite and defining terms like ‘nuclear reactor internals’.

Appendix F: Guidance on reporting pursuant to Import and Export Licence Conditions

The objective of this new appendix is to furnish examples of reporting conditions outlined in CNSC import or export licences. Additionally, it aims to offer clarity on the necessary information to include in the reports and their required frequency.

Appendix G: Guidance to applicants on creating a written process for the import and export of controlled nuclear substances, equipment and information

While many CNSC licensees have already established documented import and export processes as part of their management system, some licensees have not. To address this, the CNSC has proposed adding the need to have a written process as a new requirement in the NNIECR for the licence application. This requirement aims to ensure that licensees consistently manage their imports and exports of controlled nuclear substances, equipment, and information. The REGDOC will offer guidance to applicants on what to include in their processes.

3. Future public consultations and how to provide feedback

Interested parties will also have the opportunity to provide feedback on the draft revisions to REGDOC-2.13.2 as part of the REGDOC development process. Notifications regarding these opportunities will be sent to subscribers of the CNSC mailing list and will be posted on the online consultation platform at [Let's Talk Nuclear Safety](#).