

Guidance Document for the  
*Precursor Control Regulations*

**APPLICATION FOR EXEMPTION FOR  
PREPARATIONS AND MIXTURES OF CLASS A OR  
CLASS B PRECURSORS**

*Aussi disponible en français*

This document is one of a series of guidance documents written as a companion to the *Precursor Control Regulations* to provide guidance on meeting the regulatory requirements under these Regulations.

Other documents in this series include:

Application for Class A Precursor Licences  
Requirements and Responsibilities of Licensed Dealers of Class A Precursors  
Application for Import, Export and Transit/Transshipment Permits  
Application for Class B Precursor Registration  
Requirements and Responsibilities of Registered Dealers of Class B Precursors

To obtain these documents, or for further information about the *Precursor Control Regulations*, please contact the Precursor Chemical Section, Licences and Permits Division, Office of Controlled Substances (OCS), Drug Strategy and Controlled Substances Programme (DSCS), Healthy Environments and Consumer Safety Branch (HECS), Health Canada:

Web site: [http://www.hc-sc.gc.ca/dhp-mps/substancontrol/chem-chim/index\\_e.html](http://www.hc-sc.gc.ca/dhp-mps/substancontrol/chem-chim/index_e.html)

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## **1. PURPOSE**

This document provides guidance to individuals applying for an exemption certificate under the *Precursor Control Regulations* (PCR), to exempt a Class A or Class B preparation or mixture.

## **2. BACKGROUND**

Precursors are chemicals that are frequently diverted from legitimate activities to the illegal manufacture of drugs. In 1988, the United Nations addressed the problem of the diversion of precursors to illegal markets or uses, by adopting provisions within the *Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances*. Canada signed this convention in 1990, committing itself to controlling the movement of precursors into, out of, and within Canada.

In 1997, Canada enacted the *Controlled Drugs and Substances Act* (CDSA), which allowed for the control of precursors and the development of regulations for their import, export, production and distribution.

The PCR provides a regulatory framework that allows Canada to fulfill its international obligations with respect to the monitoring and control of precursors and other chemicals used in the production of illegal drugs. The regulatory provisions governing the licence and permit requirements for import, export and production of Class A precursors came into force on January 9, 2003. The regulatory provisions governing Class B precursor registration and permit requirements for import, export and production came into effect on January 1, 2004.

Class A or Class B precursor preparations and mixtures may be exempted from the application of the PCR, if they meet the specified conditions. An exemption certificate will be issued once the Minister determines that the preparation or mixture, poses little risk of diversion to illegal markets or uses, and that the precursor cannot be easily extracted from the preparation or mixture.

## **3. SCOPE**

This document was developed as a companion to the PCR to provide guidance in meeting the regulatory requirements of applying for a Class A or Class B precursor exemption certificate. It is not intended to replace the PCR. The PCR shall, under all circumstances, take precedence over these guidelines should any confusion or inconsistencies arise.

## **4. DEFINITIONS**

Many terms used in this document are defined in the CDSA and in the PCR. Please refer to Section 2 of the CDSA and Section 1 of the PCR.

## 5. GENERAL INFORMATION

Copies of the CDSA and the PCR can be obtained by visiting the Justice Canada website at <http://laws.justice.gc.ca>.

Copies of guidance documents and application forms can be obtained from the OCS website at [www.hc-sc.ca/ocs-bsc](http://www.hc-sc.ca/ocs-bsc) or by contacting that Office at (613) 957-1063.

## SECTION A: CLASS A PRECURSOR EXEMPTION CERTIFICATE

### 6. APPLYING FOR AN EXEMPTION CERTIFICATE

*(Sections 48 and 49 of the PCR)*

#### 6.1 What Products Can be Exempted

Pursuant to sections 48 and 49 of the PCR, a Class A precursor preparation or mixture can be exempted from the application of section 6 of the CDSA and the application of the PCR (except under sections 51 to 54 of the PCR) if:

- (i) it poses little risk of being diverted to illegal markets or uses; and
- (ii) the Class A precursor in the preparation or mixture cannot be easily extracted from the preparation or mixture due to the complexity or the cost of extraction.

#### Exceptions

Pursuant to sections 2 and 3 of the PCR, the following preparations or mixtures are exempted from the application of the PCR, under certain restricted conditions:

- (a) any drug listed in Schedule F to the *Food and Drug Regulations* (except with respect to their production, packaging, importing or exportation);
- (b) fragrances or flavourings containing anthranilic acid, N-anthranilic acid, phenylacetic acid, piperonal or piperidine in a total concentration equal to or less than 20% by weight or volume in the case of a solid or liquid, respectively, and intended to be used in a food, drug, cosmetic or household product;
- (c) silicone product that is a sealant, adhesive or coating containing acetic anhydride in a concentration equal to or less than 1% by weight or volume in the case of a solid or liquid, respectively.

Therefore, these above listed preparations or mixtures **do not** require an exemption certificate.

## 6.2 Who Is Eligible for an Exemption Certificate

A person who produces, packages, sells, provides, imports and/or exports a Class A precursor that is a preparation or mixture or a person desiring to conduct such activities.

## SECTION B: CLASS B PRECURSOR EXEMPTION CERTIFICATE

### 7. APPLYING FOR AN EXEMPTION CERTIFICATE

*(Section 76 and 77 of the PCR)*

#### 7.1 What Products Can be Exempted

Pursuant to sections 76 to 77 of the PCR, a Class B precursor preparation or mixture can be exempted from the application of section 6 of the CDSA and the application of the PCR (except under sections 79 to 82 of the PCR) if:

- (i) it poses little risk of being diverted to illegal markets or uses; and
- (ii) the Class B precursor in the preparation or mixture cannot be easily extracted from the preparation or mixture due to the complexity or the cost of extraction.

#### Exceptions

Pursuant to section 55 of the PCR, any preparation or mixture containing a Class B precursor, either alone or with any other precursor of the same type, does not constitute more than 30% of the preparation or mixture by weight or volume, in the case of a solid or liquid, respectively; then the preparation or mixture is exempt from the application of section 6 of the CDSA and the application of the PCR.

Therefore, these above listed preparations or mixtures **do not** require an exemption certificate.

#### 7.2 Who Is Eligible for an Exemption Certificate

A person who produces, packages, sells, provides, imports and/or exports a Class B precursor that is a preparation or mixture or a person desiring to conduct such activities.

## **SECTION C: EXEMPTION FOR CLASS A OR CLASS B PREPARATIONS AND MIXTURES**

### **8. APPLICATION SUBMISSION**

*(Sections 48 and 76 of the PCR)*

A completed *Application for Exemption for Preparations and Mixtures of Class A or Class B Precursors*

- (i) to be considered complete, the application form must include all the required information; and
- (ii) Section 10 of the form must be signed by:
  - a person employed by the applicant having supervisory responsibilities pertaining to the preparation or mixture and sufficient knowledge to confirm the information set out in the application, or
  - the senior person in charge for the site, if the applicant is a licensed and/or registered dealer.

The application form must be sent to the address stated in Section 11 of this document.

### **9. ISSUANCE OF AN EXEMPTION CERTIFICATE**

*(Sections 49 and 77 of the PCR)*

- (i) If all of the requirements are met, Health Canada may issue an exemption certificate, under section 49 or 77 of the PCR, to the applicant to exempt the preparation or mixture indicated in the certificate from the application of section 6 of the CDSA and the PCR, except sections 51 to 54 for Class A precursors and sections 79 to 82 for Class B precursors.
- (ii) Unless suspended or revoked, the certificate is valid indefinitely.
- (iii) Under the circumstances defined in sections 50 and 52 to 54 of the PCR for Class A precursors and sections 78 and 80 to 82 of the PCR for Class B precursors, Health Canada may refuse to issue an exemption certificate, or may suspend or revoke an existing certificate.

### **10. DOCUMENT ACCOMPANYING SHIPMENT**

*(Sections 51 and 79 of the PCR)*

The importer or exporter of an exempted Class A or Class B precursor preparation or mixture must ensure that each shipment is accompanied by a document stating:

- (i) the preparation or mixture is exempt from the application of the PCR, and
- (ii) the number of the exemption certificate that applies to the preparation or mixture.

**11. ADDRESS**

**Evaluation and Authorization Division  
Office of Controlled Substances  
Drug Strategy and Controlled Substances Programme  
Healthy Environments and Consumer Safety Branch  
Health Canada  
123 Slater St  
AL 3503B  
Ottawa ON K1A 1B9**