

G20-07

GUIDELINES FOR TIER 3 RESTRICTED COMPONENTS SELLERS

Explosives Regulatory Division

June 2022

Également disponible en français sous le titre : [Lignes directrices pour les vendeurs de composants d'explosif limités de niveau 3](#)

Disclaimer

This document is intended to help stakeholders understand the requirements when selling or storing a Tier 3 restricted component. This document does not replace nor contain all the requirements from the *Explosives Act* (the Act) or the *Explosives Regulations, 2013* (the Regulations). The requirements listed in this document are not all written in the exact text from the Regulations. In the event of any inconsistency or conflict between this document and the Act or its Regulations, legislation takes precedence.

Effective Date and Review

These guidelines are currently effective and will be updated, as needed, to provide further clarity if any issues are discovered. The most recent version of this document, and other documents related to restricted components, can be found on the [Natural Resources Canada](#) website.

Contact Us

For any questions, please contact us:
Explosives Regulatory Division
588 Booth Street, 4th Floor
Ottawa, ON K1A 0Y7
Telephone: 1-855-912-0012
Email: precursors-precurseurs@nrcan-rncan.gc.ca
Website: nrcan.gc.ca/explosives

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1. Introduction

1.1 Purpose

Restricted components are chemicals that have everyday legitimate uses. However, when in the wrong hands, these chemicals can be turned into homemade explosives. The purpose of this document is to provide guidance and a clear interpretation of [Part 20 of the Explosives Regulations, 2013](#) regarding **Tier 3 restricted components only**.

This document applies to you if you are a component seller of a Tier 3 component.

Product sellers using Tier 3 restricted components are not subject to the Regulations. Tier 3 components are:

Item	Name of component (Chemical Abstracts Service Registry Number [CAS RN]) and concentration expressed as a percentage by weight (w/w)
1	Acetone (CAS RN 67-64-1) at a concentration of at least 90% w/w
2	Ammonium nitrate (CAS RN 6484-52-2) in solid form at a concentration of at least 28% w/w of nitrogen in relation to ammonium nitrate, contained in a cold pack
3	Calcium ammonium nitrate <ul style="list-style-type: none"> (a) That is a mixture of the following essential ingredients: <ul style="list-style-type: none"> (i) ammonium nitrate and calcium carbonate (ii) ammonium nitrate and calcium magnesium carbonate, or (iii) ammonium nitrate, calcium carbonate and calcium magnesium carbonate (b) That is prepared as homogeneous prills or granules (c) That has a maximum combustible material content, expressed as carbon, of 0.4% w/w (d) That has a minimum content of carbonates of 20% w/w at a minimum purity level of 90% w/w, and (e) That is contained in a cold pack

The Regulations do not apply if you are storing a Tier 3 component for end use or you are manufacturing a product using a Tier 3 component (i.e., you are not selling the Tier 3 component).

A full list of all restricted components can be found in Appendix A.

1.2 Background

The Explosives Regulatory Division (ERD), which is part of Natural Resources Canada (NRCan), administers the Explosives Act and its Regulations. Part 20 of the Regulations restricts the sale of restricted components and sets out the requirements for their acquisition, sale and secure storage. Given the history of attacks involving homemade explosives globally, Canada is taking proactive steps to help mitigate potential threats before events occur.

The Regulations and this document use the following definitions:

Component seller – a person who sells a restricted component

Product seller – a person who manufactures a product, other than an explosive, for sale using a restricted component

See Appendix B for more information and examples regarding component and product sellers. However, remember **product sellers are not regulated under Tier 3** and this is being provided for information purposes.

1.3 Scope

These guidelines apply to requirements related to reporting incidents and suspicious sales of Tier 3 restricted components.

The scope of this document **excludes**:

- Detailed descriptions on how to identify suspicious activities and transactions. For more information, see [G20-04 – Guidelines for Recognizing and Reporting Suspicious Transactions of Explosives Precursor Chemicals](#).
- Requirements for Tier 1 restricted components. For more information, see [G20-05 – Guideline for Tier 1 Restricted Component Sellers](#).
- Requirements for Tier 2 restricted components. For more information, see [G20-06 – Guideline for Tier 2 Restricted Component Sellers](#).

2. Regulations

As a component seller of Tier 3 components, you are subject to certain requirements:

- Transaction requirements
- Reporting requirements

The table below provides a brief summary of the regulatory requirements for sellers of each tier:

Requirements	Tier 1	Tier 2	Tier 3
Enrol with NRCAn	✓	✓	X
Control access to the components	✓	✓	X
Implement security and key control plans	✓	X	X
Control inventory	✓	✓	X
Submit an annual inventory to NRCAn	✓	X	X
Verify ID and record sales	✓	✓	X
Refuse a suspicious transaction	✓	✓	✓
Report incidents	✓	✓	✓

ERD inspects component and product seller sites across Canada to verify that these requirements are being met. Many elements in this document will be assessed during an inspection at your site. It is important to ensure that all employees dealing with Tier 3 components are trained and aware of the requirements.

Sections 2.1 to 2.2 below define requirements from Part 20 of the *Explosives Regulations, 2013* (ER, 2013) and provide guidance on how you can meet regulatory requirements. ER, 2013 lists the requirements for Tier 3 components from section 517 to section 521.

Important

These Guidelines do not include all sections of the Regulations and are not written with the exact same text found in the Regulations (for length and clarity purposes). These Guidelines do not replace the Regulations. Please consult the referenced sections.

2.1 Transaction Requirements

The following requirements must be applied when making a sale of a Tier 3 component.

2.1.1 Suspicious Transaction

Section	Requirement	Guidance
520(1), 521	A sale of a Tier 3 component must be refused by a component seller or their employees if the component seller or their employee has reasonable grounds to suspect that the component will be used for a criminal purpose.	<p>The Regulations give you the right to refuse a suspicious purchase of a Tier 3 component and make it your legal duty to do so.</p> <p>There are legitimate reasons why individuals must purchase these components and it may be normal for them to exhibit some suspicious behaviours. However, it is a combination of multiple factors that could lead you to feeling something is suspicious. Use your judgement to determine if a transaction is suspicious. Do this on a case-by-case basis. You know your business best.</p> <p>It is understood that not every suspicious transaction will be noticed. However, having employees aware of suspicious behaviours can help prevent the risk of these components getting into the hands of those who wish to harm our communities.</p> <p>For more details, see G20-04 – Guidelines for Recognizing and Reporting Suspicious Transactions of Explosives Precursor Chemicals. There is also a chemical security awareness training video available to help identify suspicious behaviours in the retail setting.</p>

2.2 Reporting Requirements

For certain activities and incidents, there are reporting requirements.

2.2.1 Theft, Attempted Theft or Tampering

Section	Requirement	Guidance
519	<p>If a component or product seller discovers any theft or attempted theft of, or tampering with, a Tier 3 component:</p> <ul style="list-style-type: none"> • Immediately inform the local police force • Inform the Chief Inspector of Explosives within 24 hours • Submit a written incident report to the Chief Inspector of Explosives when circumstances permit 	<p>Reporting these activities to the police could stop the component from being used for criminal purposes. ERD keeps track of all reported incidents relating to restricted components. The local police may only be aware of what is happening in their own jurisdiction, but ERD is able to see the bigger picture in terms of incidents across Canada. ERD collaborates with the police.</p> <p>For theft, attempted theft and tampering, please report to:</p> <ul style="list-style-type: none"> • Your local police or the RCMP National Security Information Network at 1-800-420-5805 • The Explosives Regulatory Division at 1-855-912-0012 <p>You can use the Incident Report – Explosives and Restricted Components form to submit a written report to ERD.</p>

2.2.2 Refusal to Sell

Section	Requirement	Guidance
520(2)	<p>Every refusal to sell a Tier 3 component must be reported to the Chief Inspector of Explosives and to the local police force within 24 hours after the refusal.</p>	<p>The police must be notified so they can start an investigation if needed. Provide the police with all information you can remember about the individual and the incident. ERD is notified for tracking purposes. ERD uses reported information to alert other sellers in a geographic region regarding the suspicious requests, if warranted. ERD will also collaborate with the police.</p> <p>For a refusal to sell, please report to:</p> <ul style="list-style-type: none"> • Your local police or the RCMP National Security Information Network at 1-800-420-5805 • The Explosives Regulatory Division at 1-855-912-0012

Appendix A – Restricted Components

The following tables contain the list of restricted components. If you are selling them in quantities that are listed below or lesser, you are exempted from taking records of sale. Note that records of sales are not required for Tier 3 restricted components.

Tier 1 Restricted Components

Item	Name of component (Chemical Abstracts Service Registry Number [CAS RN]) and concentration expressed as a percentage by weight (w/w)	Quantity
1	Ammonium nitrate (CAS RN 6484-52-2) in solid form at a concentration of at least 28% w/w of nitrogen in relation to ammonium nitrate	1 kg
2	Calcium ammonium nitrate (a) That is a mixture of the following essential ingredients: (i) ammonium nitrate and calcium carbonate (ii) ammonium nitrate and calcium magnesium carbonate, or (iii) ammonium nitrate, calcium carbonate and calcium magnesium carbonate (b) That is prepared as homogeneous prills or granules (c) That has a maximum combustible material content, expressed as carbon, of 0.4% w/w, and (d) That has a minimum content of carbonates of 20% w/w at a minimum purity level of 90% w/w	1 kg

Tier 2 Restricted Components

Item	Name of component (Chemical Abstracts Service Registry Number [CAS RN]) and concentration expressed as a percentage by weight (w/w)	Quantity (Records of sale exemptions)
1	Hydrogen peroxide (CAS RN 7722-84-1) at a concentration of at least 30% w/w	1 L
2	Nitromethane (CAS RN 75-52-5) at a concentration of at least 90% w/w	1 L
3	Potassium chlorate (CAS RN 3811-04-9) at a concentration of at least 90% w/w	1 kg
4	Potassium perchlorate (CAS RN 7778-74-7) at a concentration of at least 90% w/w	10 kg
5	Sodium chlorate (CAS RN 7775-09-9) in solid form at a concentration of at least 90% w/w	1 kg
6	Nitric acid (CAS RN 7697-37-2) at a concentration of at least 75% w/w	4 L

7	Potassium nitrate (CAS RN 7757-79-1) at a concentration of at least 90% w/w	25 kg
8	Sodium nitrate (CAS RN 7631-99-4) and potassium nitrate (CAS RN 7757-79-1) mixture at a concentration of at least 90% w/w	25 kg
9	Sodium nitrate (CAS RN 7631-99-4) in solid form at a concentration of at least 90% w/w	25 kg
10	Hexamethylenetetramine (CAS RN100-97-0) at a concentration of at least 90% w/w	0 kg
11	Aluminum powder (CAS RN 7429-90-5) in dry form at a concentration of at least 70% w/w and with a particle size of less than 200 µm	1 kg

Tier 3 Restricted Components

Item	Name of component (Chemical Abstracts Service Registry Number [CAS RN]) and concentration expressed as a percentage by weight (w/w)
1	Acetone (CAS RN 67-64-1) at a concentration of at least 90% w/w
2	Ammonium nitrate (CAS RN 6484-52-2) in solid form at a concentration of at least 28% w/w of nitrogen in relation to ammonium nitrate, contained in a cold pack
3	<p>Calcium ammonium nitrate</p> <p>(f) That is a mixture of the following essential ingredients:</p> <p>(iv) ammonium nitrate and calcium carbonate</p> <p>(v) ammonium nitrate and calcium magnesium carbonate, or</p> <p>(vi) ammonium nitrate, calcium carbonate and calcium magnesium carbonate</p> <p>(g) That is prepared as homogeneous prills or granules</p> <p>(h) That has a maximum combustible material content, expressed as carbon, of 0.4% w/w</p> <p>(i) That has a minimum content of carbonates of 20% w/w at a minimum purity level of 90% w/w, and</p> <p>(j) That is contained in a cold pack</p>

Appendix B – Component Sellers and Product Sellers

Only sellers of restricted components or manufacturers using a restricted component to manufacture a product for sale (other than an explosive) are subject to Part 20 of the Regulations. Some definitions and examples are provided below to help you better understand the difference between component seller and product seller.

Product sellers of Tier 3 components are exempt from the regulations.

What is a component seller?

A component seller is a person who sells a restricted component.

Example:

A person selling ammonium nitrate in a solid form at a concentration of at least 28% nitrogen is a component seller because this person sells the restricted component itself.

What are some examples of restricted components that could be sold ?

Most restricted components are sold using their chemical name so they are easy to identify. Some common products you could be selling in your sales establishment that are restricted components (and are sold under a different name) are:

- Stump remover (solid potassium nitrate)
- Saltpeter for meat curing (potassium nitrate)
- Solid camping fuel tablets (made with hexamine)
- Hair developer (hydrogen peroxide, regulated when concentration is 30% or greater)
- Acetone based nail polish remover
- Instant cold packs that contain ammonium nitrate or calcium ammonium nitrate
- Acetone based paint thinner

If you are unsure, please contact your supplier first for more information and ERD if still required.

What is a product seller?

A product seller is a person who manufactures a product, other than an explosive, for sale using a restricted component.

Example 1:

If a person adds potassium nitrate to a fertilizer blend resold to garden centres, this person making the fertilizer blend is considered a product seller.

Since the concentration of potassium nitrate in the fertilizer mixture is below 90%, the product is not a restricted component. Therefore, the garden centre purchasing and selling the fertilizer does not fall under the Regulations.

Example 2:

If a person is using hydrogen peroxide at a concentration and diluting it to 29% for resale, this person is a product seller. Since the concentration of hydrogen peroxide is now below 30 % it is no longer a restricted component and the buyers purchasing hydrogen peroxide at a concentration of 29% are not subject to the Regulations.

What happens if I am both a component seller and a product seller?

If you are both a component seller and a product seller, enrol as a component seller. That will cover you for both activities of selling components and selling products.

Appendix C – List of Additional Material

[Explosives Regulations, 2013 – Part 20](#)

[Explosives Regulatory Division website](#)

[G20-04 - Guidelines for Recognizing and Reporting Suspicious Transactions of Explosives Precursor Chemicals](#)

[G20-05 - Guidelines for Tier 1 Restricted Component Sellers](#)

[G20-06 - Guidelines for Tier 2 Restricted Component Sellers](#)

[Chemical Security Awareness Video – Suspicious Transactions](#)

[Self-guided Training for Tier 1 and Tier 2 Restricted Component Sellers](#)