



## **1. Renewable Fuels Regulations & Clean Fuel Standard**

### **What:**

Renewable Fuels Regulations require fuel producers and importers to have an average renewable fuel content of at least 5% based on the volume of gasoline that they produce or import into Canada and of at least 2% based on the volume of diesel fuel and heating distillate oil that they produce or import into Canada.

### **Why:**

Greenhouse gases (GHGs) are primary concern for the current government in Canada. The Government of Canada is committed to reducing Canada's total GHG emissions by 17% from 2005 levels by 2020. These Regulations aim to reduce emissions

### **When:**

The original regulations were introduced in 2010, but the ethanol part has just recently been suggested as an alternative fuel source in Canada under the Clean Fuels Standard which was announced in 2016.

### **Effect on the Recreational Marine and Superyacht Industries:**

One of the greatest concerns facing the recreational boating industry today relates to the introduction of E15 into the marketplace. E15 is fuel that is 15 percent ethanol in volume and there are serious and well-documented human, safety, environmental, and technology concerns associated with ethanol blends over 10 percent in recreational boat fuel tanks and engines. While this issue is currently more prevalent in the USA there have been recent proposals of alternative fuel supplies such as E15 in Canada.

### **Additional Information:**

NMMA & NMMA Canada are hard at work to prevent this dangerous fuel from affecting the recreational marine industry.



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## **2. Marine Spark-Ignition Engine, Vessel and Off-Road Recreational Vehicle Emission Regulations (MERV)**

### **What:**

The objective of MERV is to align Canadian engine emission regulations with those of the U.S. EPA. These regulations set Canadian emission standards and test procedures for the marine engines, vessels with installed fuel lines or fuel tanks.

### **Why:**

The regulations were developed to establish performance-based emissions standards that align with those of the United States Environmental Protection Agency (EPA).

### **When:**

Established under the Canadian Environmental Protection Act in 2012.

### **Effect on the Recreational Marine and Superyacht Industries:**

The regulations require that the importer of new engines/boats packages (in most cases this is the Canadian dealer importing the boat/engine from the USA) report to Environment and Climate Change Canada through an import declaration form, the total number of new engines importers are bringing into Canada from the U.S. It also requires a year-end report which needs to include:

- Cover letter with signature of a person authorized to act on behalf of the company;
- The model year of all engines and vehicles and the method of compliance used;
- Statements of conformity to the applicable emission standards or family emission limits (FELs);
- For fleets, calculation of the average emission values and emission credits/deficit for each emission type (if applicable); and
- All values used to calculate the average emission values
- Company must submit a report whether they use fleet averaging or not.
- You are required to maintain records relating to the end of model year report for at least eight (8) years after its due date.

### **Additional Information:**

The regulations recognize a U.S. EPA certificate as evidence of conformity and provide flexibility to meet the regulatory requirements by implementing an optional fleet averaging and emission credit system. They also provide methods of determining conformity for companies that manufacture or import marine spark-ignition engines, vessels and off-road recreational vehicles only for sale in Canada without the need to rely on the U.S. certification system.



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### **3. Aquatic Invasive Species (AIS)**

#### **What:**

The objective of the Aquatic Invasive Species (AIS) regulations is to provide a full suite of regulatory tools under the federal Fisheries Act to prevent the introduction of AIS into Canadian waters and to control and manage their establishment and spread, once introduced. The regulations complement existing federal and provincial authorities and bridge gaps within these frameworks to enable a broad range of AIS management activities.

The regulations prohibit the import, possession, transport and release of significant risk species, in specific geographic areas and under specific conditions.

#### **Why:**

Invasive species are a serious threat in Canada as once established they can:

- reduce biodiversity;
- compete with native species until they become threatened, endangered, extirpated or extinct;
- degrade and erode soil;
- degrade water quality and habitats;
- alter infrastructures;
- introduce disease;
- reduce land and water recreational opportunities;
- require control and management costs;
- reduce productivity in resource sectors, including fisheries;
- result in the imposition of trade restrictions from other jurisdictions; and
- reduce property values.

#### **When:**

New AIS regulations were introduced in June 2015.

#### **Effect on the Recreational Marine and Superyacht Industries:**

The Canada Border Services Agency (CBSA) checks boats coming into Canada and if boats are suspected of having AIS they can be quarantined for 30 days. Depending on the province/territory this can cause delays on vessels coming into Canada from the U.S. Under the Aquatic Invasive Species Regulations (AISR), those importing boats into Canada are responsible for ensuring that boats, trailers, vessels, and other conveyances and equipment are free of the species listed in the regulations. This is outlined in Canada Border Services Agency (CBSA) Memorandum D19-9-5, available at <http://www.cbsa-asfc.gc.ca/publications/dm-md/d19/d19-8-5-eng.html>.

Provincial authorities, working in cooperation with the CBSA, have responsibility for administering the AISR within their respective jurisdictions and have specific approaches as well as requirements under provincial law. Memorandum D19-9-5 includes contact information for provincial authorities.



The provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba and the Yukon are working in partnership to prevent the spread of invasive mussels. British Columbia and Alberta have mandatory watercraft inspection stations located on all major entry points that target boater traffic entering the provinces from other jurisdictions. It is mandatory for all commercially or recreationally hauled watercraft to stop at these stations. In addition to inspecting boats, the inspection stations promote the key messaging of “CLEAN, DRAIN, DRY Your Boat” to prevent the introduction of invasive mussels and the spread of other AIS. In order to streamline the process and minimize the impact to company operations, the provinces of Alberta and British Columbia request a notification of all watercraft that are being transported by a company through/to Alberta or British Columbia (regardless of origin) and to provide them with information through a Commercially Hauled Watercraft Form.



#### **4. Oceans Protection Plan/Marine Protected Areas**

**What:**

Announced in November 2016, the Government of Canada launched a \$1.5 billion CAD national Oceans Protection Plan aimed at improving marine safety and responsible shipping, protects Canada's marine environment, and offers new possibilities for Indigenous and coastal communities. Included in this announcement was the expansion of Marine Protected Areas (MPAs).

An MPA is a part of the ocean that is legally protected and managed to achieve the long-term conservation of nature. MPAs may allow some current and future activities depending on their impacts to the ecological features being protected. Recreation, tourism and education activities that are consistent with the objectives of a protected area may be permitted, improving public awareness, understanding and appreciation of Canada's marine heritage. For more information please visit <https://www.tc.gc.ca/eng/oceans-protection-plan.html>.

**Why:**

To conserve and protect marine species, habitats and ecosystems.

**When:**

Oceans Protection Plan announced in November 2016.

**Effect on the Recreational Marine and Superyacht Industries:**

Potential of less bodies of water for boaters to use. Depending on the scope could decrease boating activity.

**Additional Information:**

None



## **5. Wrecked, Abandoned or Hazardous Vessels Act**

### **What:**

Recently enacted regulations that look to penalize owners who abandon a vessel by strengthening ownership liability. Owners can face fines of up to \$300,000 CAD and a six month jail term while corporations can be fined as much as \$6 million CAD. Government is working on ways to enhance its ability to identify vessel owners. Previously there were no regulations to discipline owners who had abandoned their vessels. The most recent reading was on June 20, 2018. To view it please visit <http://www.parl.ca/DocumentViewer/en/42-1/bill/C-64/third-reading>.

### **Why:**

Abandoned vessels are a growing problem in Canada and can pose hazards to the environment, public health and safety, along with local economies such as fishing and tourism industries.

### **When:**

Law currently in effect.

### **Effect on the Recreational Marine and Superyacht Industries:**

This is to be determined as the clean up is conducted and how the boating industry may be engaged.

### **Additional Information:**

There will be no fines or penalties imposed on the owner of a boat which has already been abandoned. The ownership of some of these boats cannot be determined which is why the Government of Canada is also working with provinces and territories to establish better rules for identifying boats.



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## **6. Regulations Respecting Formaldehyde Emissions from Composite Wood Products**

### **What:**

The Government of Canada intends to develop regulations to reduce emissions of formaldehyde from composite wood products due to its negative health effects. Formaldehyde is a colorless, flammable, strong-smelling chemical that is used in resins (i.e., glues) used in the manufacture of composite wood products (i.e., hardwood plywood, particleboard and medium-density fiberboard).

All composite wood products manufactured, used, processed, sold, offered for sale, or imported into Canada, including laminated products and finished goods made from composite wood products, would be required to comply with emission standards for formaldehyde set out in the regulations after they have been implemented.

### **Why:**

Formaldehyde has been documented to have negative health risks. The goal is for these composite wood products to meet a specific emission standard and only have a certain amount of formaldehyde in them in order to try and negate these risks.

### **When:**

The regulations should be implemented by 2019-2020.

### **Effect on the Recreational Marine and Superyacht Industries:**

Any manufacturers using composite wood products will need to adjust to the new emission standard.

### **Additional Information**

Canada's proposed approach to regulating formaldehyde emissions from composite wood products has been suggested to closely follow regulations that were adopted in the USA EPA in 2016. Regulations are currently under discussion.