



DESIGNATED OFFICER PROGRAM UPDATE: 2021

CMD 22-M39

September 15, 2022



Presentation Outline

- CNSC Designated Officer Program (DO Program)
- Designated Positions
- DO Authorities Carried Out in 2021
- Focus on the Non-Proliferation and Export Controls Division (NPECD)
- Update on DO Program Activities

Designated Officer Program Update: 2021 (CMD 22-M39)



CNSC Designated Officer Program

- Section 37 of the *Nuclear Safety and Control Act* (NSCA) gives the Commission the authority to designate DOs
- The Commission may designate DOs by name, title of office, or class of persons
 - CNSC DOs are designated by title of office
 - DO Authorities include licensing, certification and compliance decisions
- DO Program formalized in 2015 and provides training and resources that:
 - Allow for consistency in issuing and tracking DO certificates
 - Support DOs in making independent, effective, consistent, and transparent decisions
 - Inform, update, and report to CNSC staff and the Commission

See [Appendix A](#) for more information on DO duties under the NSCA
See [Appendix B](#) for more information on the current DO Program activities

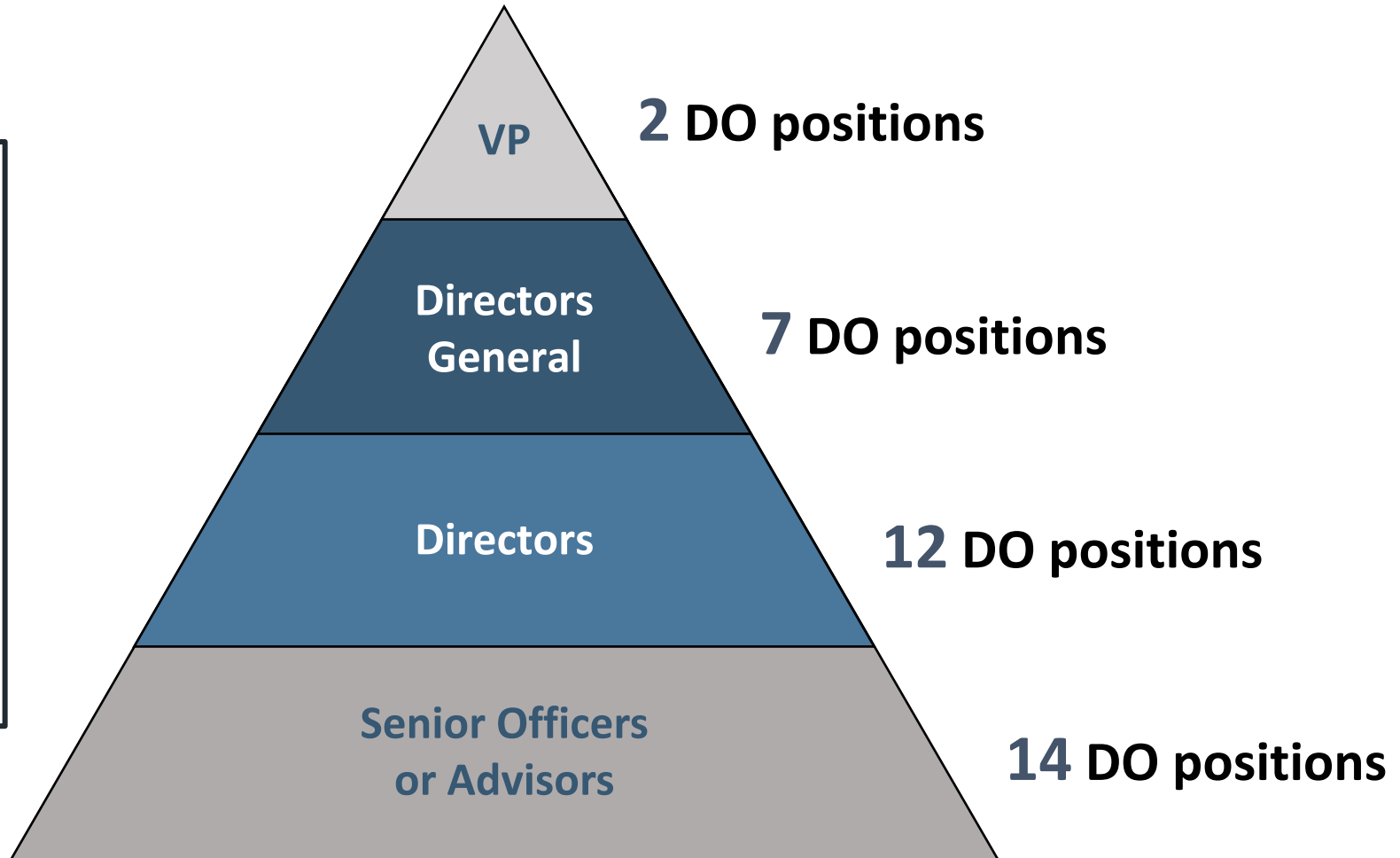
The DO Program exists to support DOs



DO Positions at the CNSC (1/2)

35 DO positions at the CNSC:

- Management positions are allocated the DO authorities of all positions that report to them
- DOs are issued a certificate setting out their duties
- DO authorities are not transferable





DO Positions at the CNSC (2/2)

See [Appendix A](#) for a summary of DO authorities under 37(2) and 65.05 (AMPs) of the NSCA

See [Appendix C](#) for a summary of designated positions and their authorities

Position not authorized for this DO authority

Position authorized for this DO authority

Title of Office / Division	Designated Officer Authorities								
	37(2)								65.05
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Executive VP and Chief Regulatory Operations Officer									
Director General, Directorate of Nuclear Substance Regulation									
Accelerators and Class II Facilities Division									
Nuclear Substances and Radiation Devices Licensing Division									
Transport Licensing and Strategic Support Division									
Operations Inspection Division									
Director General, Directorate of Nuclear Cycle and Facilities Regulation									
Canadian Nuclear Laboratories Regulatory Program Division									
Director General, Directorate of Power Reactors Regulation									
Director General, Directorate of Regulatory Improvement and Major Projects Management									
VP, Technical Support Branch									
Director General, Directorate of Environmental and Radiation Protection and Assessment									
Radiation Protection Division									
Director General, Directorate of Safety Management									
Personnel Certification Division									
Director General, Directorate of Security and Safeguards									
Non-Proliferation and Export Controls Division									



DO Authorities Carried Out – 2021

See [Appendix A](#) for a summary of DO authorities under 37(2) and 65.05 (AMPs) of the NSCA

See [Appendix D](#) for a further breakdown of DO authorities

Position not authorized for this DO authority

Authority not exercised in 2021

Number of times duty carried out in 2021

Title of Office / Division	Designated Officer Authorities carried out in 2021								
	37(2)								Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Executive VP and Chief Regulatory Operations Officer						3			3
Director General, Directorate of Nuclear Substance Regulation					4		10		15
Accelerators and Class II Facilities Division		15	33	201					249
Nuclear Substances and Radiation Devices Licensing Division			65	1268					1333
Transport Licensing and Strategic Support Division	70		38	13					121
Operations Inspection Division									0
Director General, Directorate of Nuclear Cycle and Facilities Regulation				8					8
Canadian Nuclear Laboratories Regulatory Program Division									0
Director General, Directorate of Power Reactors Regulation									0
Director General, Directorate of Regulatory Improvement and Major Projects Management									0
VP, Technical Support Branch									0
Director General, Directorate of Environmental and Radiation Protection and Assessment				15	2				17
Radiation Protection Division								2	2
Director General, Directorate of Safety Management		48							48
Personnel Certification Division		460							460
Director General, Directorate of Security and Safeguards							1		1
Non-Proliferation and Export Controls Division			825	198					1023
Total	70	523	961	1703	6	3	11	2	3280



2021 Authorities vs Previous Years (1/2)

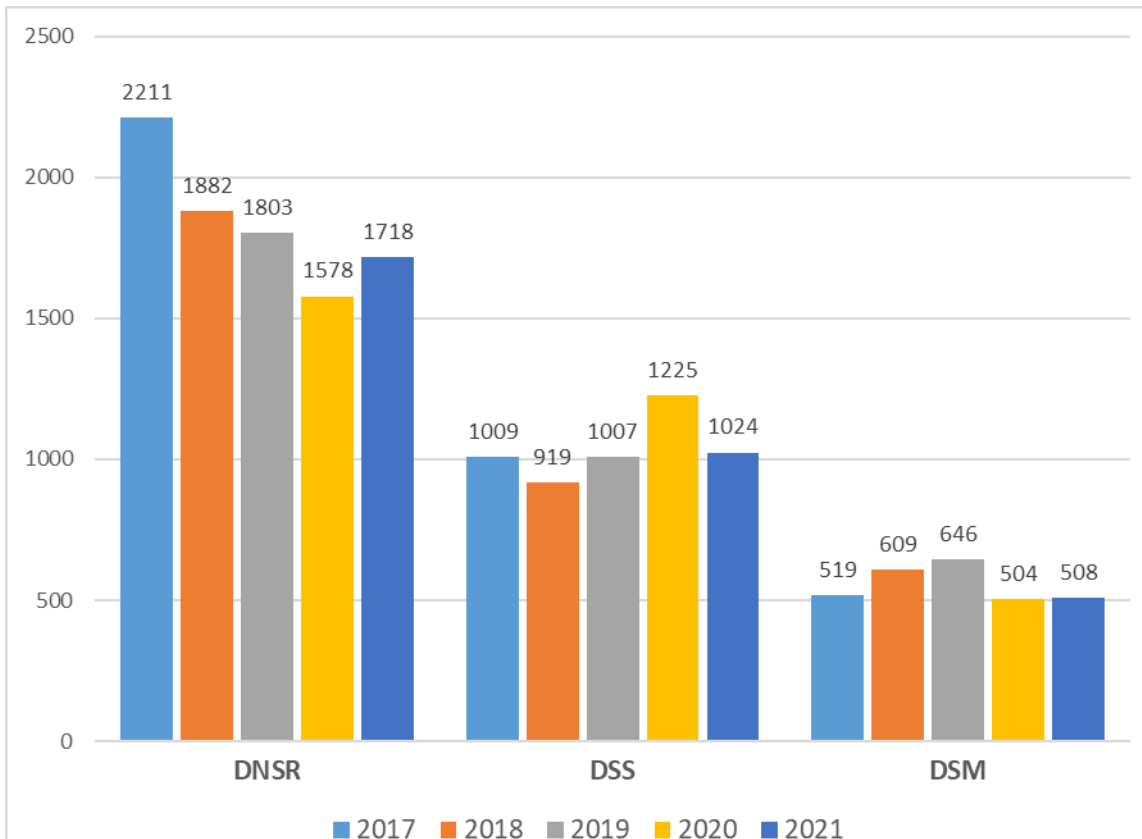
Title of Office / Division	2017	2018	2019	2020	2021
<i>Executive VP and Chief Regulatory Operations Officer</i>	1	3	0	0	3
Director General, Directorate of Nuclear Substance Regulation	32	19	25	12	15
Accelerators and Class II Facilities Division	342	304	264	225	249
Nuclear Substances and Radiation Devices Licensing Division	1540	1377	1363	1231	1333
Transport Licensing and Strategic Support Division	297	182	151	110	121
Director General, Directorate of Nuclear Cycle and Facilities Regulation	14	11	14	18	8
Director General, Directorate of Power Reactors Regulation	7	4	15	4	0
<i>VP, Technical Support Branch</i>	1	0	2	0	0
Director General, Directorate of Environmental and Radiation Protection and Assessment	8	6	8	15	17
Radiation Protection Division	6	2	4	3	2
Director General, Directorate of Safety Management	178	115	481	106	48
Personnel Certification Division	341	494	165	398	460
Director General, Directorate of Security and Safeguards & Non-Proliferation and Export Controls Division	1009	919	1007	1225	1024
Total	3776	3436	3499	3347	3280

*Titles of Office / Divisions with no reported DO authorities have been omitted from this table

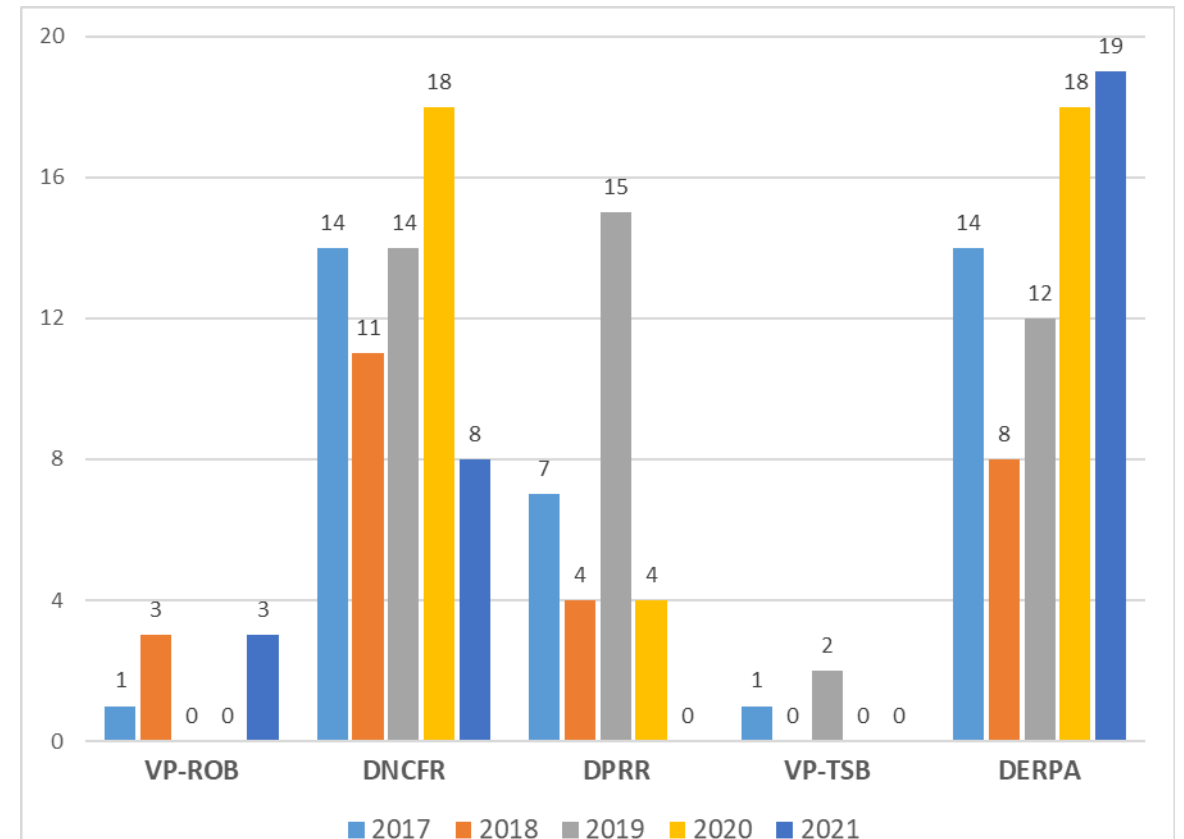


2021 Authorities vs Previous Years (2/2)

Directorates carrying out the largest number of authorities in 2021



Authorities carried out by remaining five directorates/branches





Decisions Reportable to the Commission (1/2)

The NSCA specifies DO decisions that must be reported to the Commission

- This report fulfils the reporting requirements
- Starting in 2021, the Commission Registry provides quarterly memos to the Commission with timely details on reportable DO decisions

Report to Commission

(5) A designated officer shall report to the Commission on

- (a)** a refusal by the designated officer to issue, renew, suspend, amend, revoke or replace a licence or authorize its transfer;
- (b)** the issuance by the designated officer of a licence that contains the condition that the applicant provide a financial guarantee referred to in subsection 24(5);
- (c)** a renewal of a licence where the terms or conditions of the licence are amended, or a suspension, amendment, revocation or replacement of a licence, other than an amendment of terms or conditions or a suspension, amendment, revocation or replacement made on the application, or with the consent, of the licensee; and
- (d)** a confirmation, amendment, revocation or replacement of an order under paragraph (2)(g).



Decisions Reportable to the Commission (2/2)

In 2021, DOs made **82 decisions** reportable to the Commission

37(5)(a)

Licensing refusals (including refusals to issue, renew, suspend, amend, revoke, replace, or authorize transfer)

3 refusals to issue a licence

37(5)(b)

Issuance of a licence with a financial guarantee

68 licences issued with a financial guarantee

37(5)(c)

Licence renewal with a change in licence conditions, or a licence suspension, amendment, revocation or replacement without an application or the licensee's consent

0 duties to report

37(5)(d)

Confirmation, amendment, revocation or replacement of an inspector's order

11 inspector orders confirmed or amended

More information on these decisions is provided in [Appendix E](#)



Other Notable DO Authorities

Administrative Monetary Penalties (AMPs)

- Section 65.05 of the NSCA allows the issuance AMPs to an individual or a corporation
 - Up to \$20,000 for individuals and up to \$100,000 for corporations

DO Orders

- Paragraph 37(2)(f) allows authorized DOs to make orders
 - Orders made by a DO must be referred to the Commission

	2017	2018	2019	2020	2021
AMPs	7	3	0	2	1
DO Orders	0	2	1	0	3

Details about AMPs and DO orders are available on the [CNSC website](#)



2021 DO Focus Area

What we heard following the 2020 DO Program Update

- Commission interest in further details of specific DO authorities
- Questions regarding the DO decision making process

2021 DO Focus Area – Non-Proliferation and Export Controls Division (NPECD)



DO Focus Area – NPECD (1/5)

CNSC Import-Export Controls Program Objectives

- Enable legitimate transfer of nuclear items, nuclear-related dual-use items and risk-significant sealed sources, to be used solely for peaceful purposes
- Respect international obligations and commitments
- Implement key aspects of Canada's nuclear non-proliferation policy

Ensure exports from Canada are for peaceful uses



DO Focus Area – NPECD (2/5)

DO considers a range of information

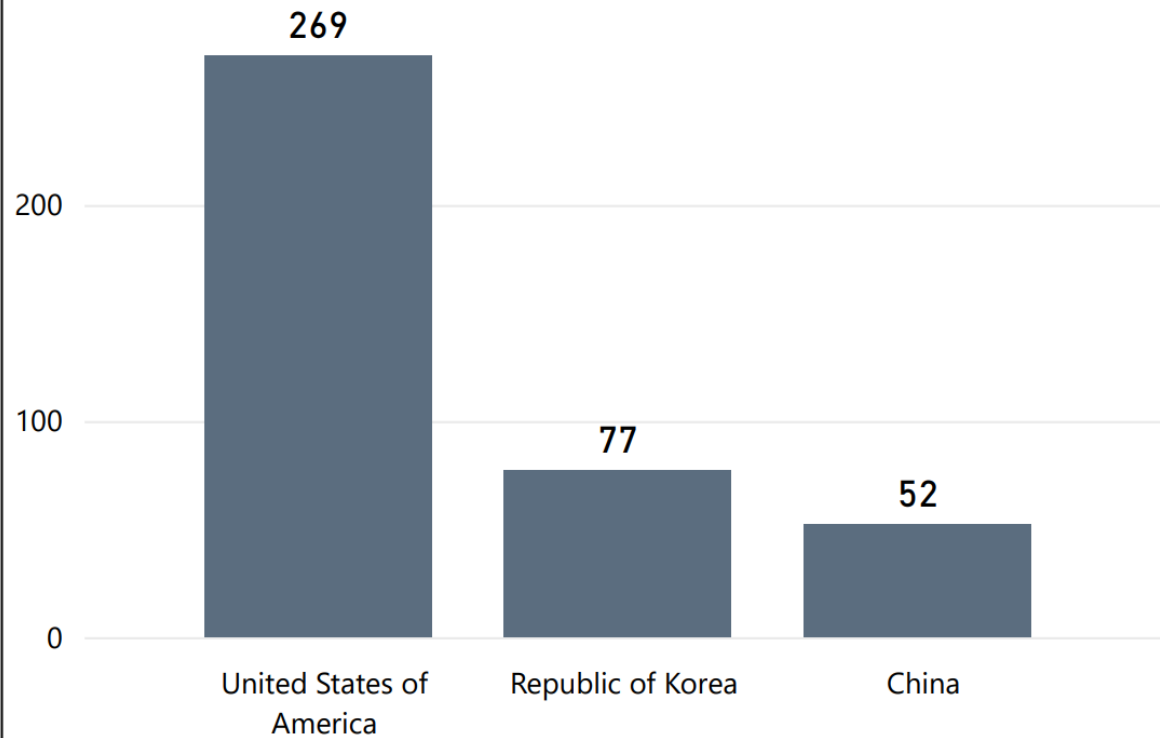
- Whether the other country is party to the Nuclear Non-proliferation Treaty
- The applicability of bilateral Nuclear Cooperation Agreements
- Risk of diversion
- Nuclear weapons/explosive-related activities in the end-user country
- Utility of the item(s) to a nuclear weapon or nuclear explosive device
- End-use and end-user are legitimate
- Regulatory capability of the Importing State to provide assurances that the sources will be managed safely and securely



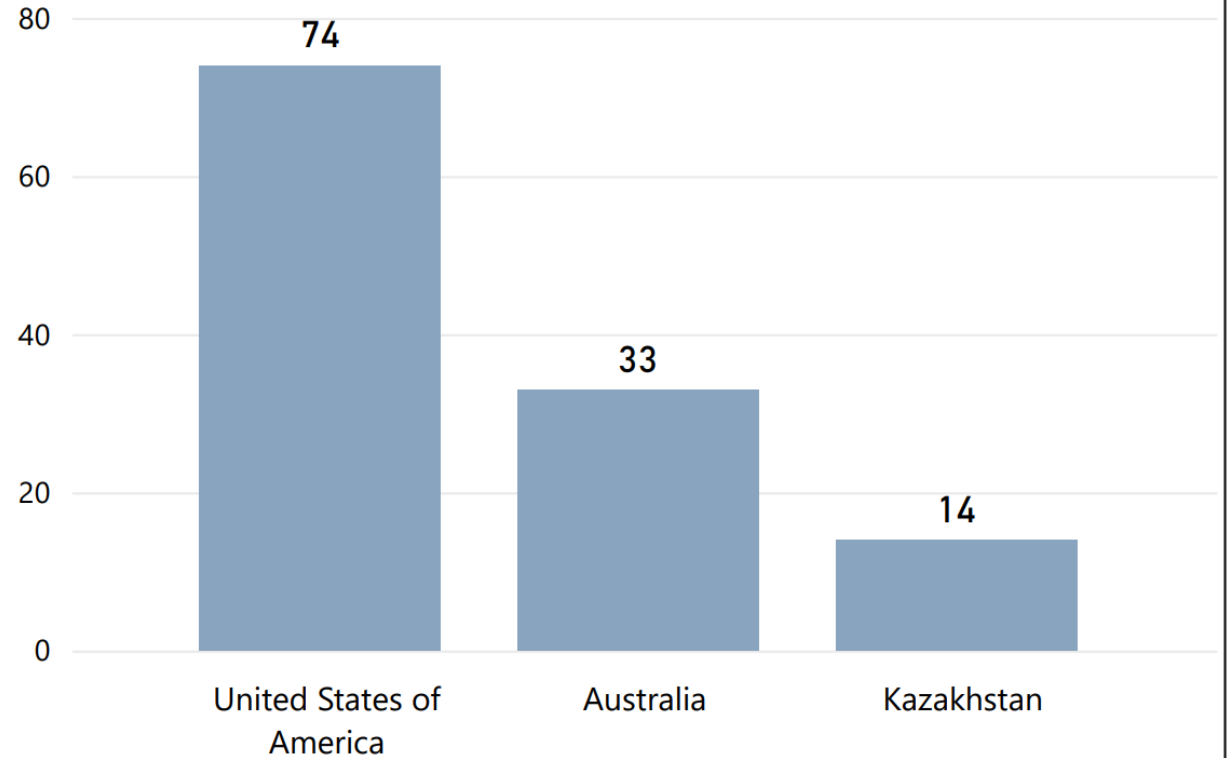
DO Focus Area – NPECD (3/5)

Nuclear and Nuclear-related Dual-use Items

Top 3 Countries - Licences Issued for Export in 2021



Top 3 Countries - Licences Issued for Import in 2021

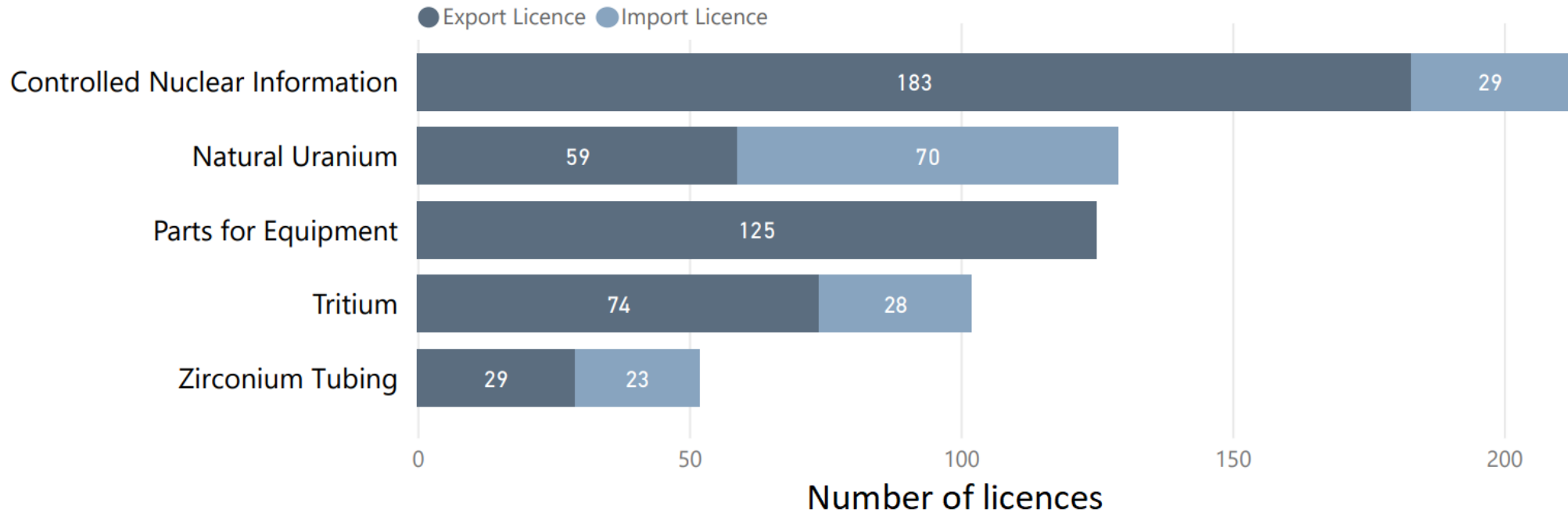




DO Focus Area – NPECD (4/5)

Nuclear and Nuclear-related Dual-use Items

Top 5 – Authorized Items in 2021





DO Focus Area – NPECD (5/5)

Risk-Significant Radioactive Sealed Sources

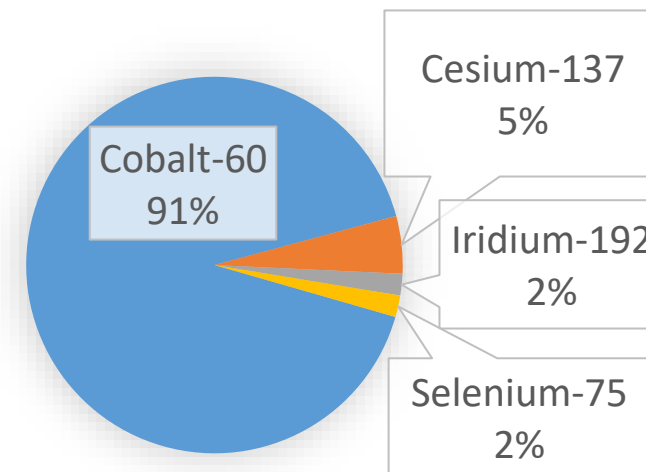
For industrial irradiation and medical applications

Top 3 Countries – Licences Issued for Export in 2021

1. United States
2. China
3. Republic of Korea

With total export licences authorized to 32 countries

Sealed Sources Authorized for Export in 2021



Canada is the largest exporter of Cobalt-60



DO Program Activities: 2021 and 2022

- DO Community Forums
- Recent improvements to the DO Program
 - Changes to the Program
 - Further strengthening the Program

See [Appendix B](#) for more information on the current DO Program activities

Partnership between DOs and DO Program players is vital



DO Community Forum (1/3)



Brings DOs together to:

- Share their knowledge, expertise and experiences
- Further strengthen relationships between members of the Community
- Provide DOs with up-to-date information about the tools and assistance available to them



Supporting a collaborative DO Community

Fourth DO Community Forum - June 4, 2021

- Second virtual forum, held in one 2-hour session (Agenda - [Appendix F](#))

Discussions and Highlights

- Refusal to issue a licence
- Complex case that required a whole of CNSC approach
- Legal Services perspectives on the standard for review
- Importance of available resources, such as the DO community and Legal Services





DO Community Forum (3/3)

Fifth DO Community Forum – May 5, 2022

- Third virtual forum (Agenda - [Appendix F](#))

Highlights:

- Importance of having regular DO Community Forums
- Value of partnership with Legal Services
- Considerations in DO decision making





2022 DO Program Updates

DO Program moved to Legal and Commission Affairs Branch (LCAB) on April 1, 2022

- Centralizes all Program functions under a single executive
- Allows greater synergy and efficiencies
- Provides further opportunities for Program enhancements

Improvements underway

- DO Program review
- Streamlined reporting to the Commission and training for new DOs
- Document revisions
- Repository of frequent questions and answers

Continuous improvement is essential to the success of the DO Program



Conclusions

- In **2021**, CNSC DOs carried out **3,280** authorities
- **82** decisions were reportable to the Commission
- NPECD DOs ensure exports from Canada are for peaceful uses
- Centralized DO Program enhances and strengthens support to DOs

The DO Program is a key and effective component of the CNSC's licensing and compliance framework



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APPENDIX A

Summary of Designated Officer Authorities



Summary of DO Authorities (1/2)

Licensing and certification authorities pursuant to the NSCA

- 37(2)(a): *certify and decertify prescribed equipment for the purposes of the NSCA*
- 37(2)(b): *certify and decertify persons referred to in paragraph 44(1)(k) as qualified to carry out their duties under the NSCA or the duties of their employment, as the case may be*
- 37(2)(c): *issue, on receipt of an application referred to in subsection 24(2), a licence of a class established by the Commission*
- 37(2)(d): *renew, suspend in whole or in part, amend, revoke or replace, or authorize the transfer of, upon receipt of an application referred to in subsection 24(2), a licence of a class established by the Commission*



Summary of DO Authorities (2/2)

Designation and compliance (non-licensing and certification) authorities, pursuant to the NSCA

- 37(2)(e): *designate any person whom the DO considers qualified as an inspector under subsection 29(1)*
- 37(2)(f): *make any order that an inspector may make under subsection 35(1) or (2)*
- 37(2)(g): *confirm, amend, revoke or replace any order made by an inspector*
- 37(2)(h): *authorize the return to work of persons whose dose of radiation has or may have exceeded the prescribed radiation dose limits*
- 65.05: *issue notices of violation (related to administrative monetary penalties)*



APPENDIX B

DO Program Overview



DO Qualifications and Training

- Self-directed learning using the internal **DO Community Webpage**
- Briefing with the VP-LCAB or designate on applicable legislation, DO decision-making, questions pertaining to DO authorities and DO Certificate
- Briefing with the DO Program lead on DO training activities, tools and resources available to DO when carrying out DO authorities
- On-the-job coaching, peer consultations, learning of operational matters
- In-class training on DO orders

The DO program ensures that DOs continue to have the knowledge and tools needed to perform their duties



DO Program Assistance Activities and Tools

- **Program and process documents**
- **DO Community Webpage:** Main tool of the program
 - Contains existing program and process documents for all DO authorities, contacts, links to other intranet tools of the DO Program
- **DO Community Forum**
 - Provides DOs with a venue for sharing knowledge, expertise, experiences; further strengthening the relationship between members of the DO Community; offering DOs feedback on the DO program
- **DO Program Bulletin Board, DO Program Mailbox**
 - Allow to provide updates on the DO program and to obtain feedback on the DO program
- **DO decisions tracking, DO Program reports to the Commission**



DO Program Overview: Documentation

Maintenance of Designated Officer Program

Describes existing:

- Activities for implementation and maintenance of the Program
- Approach for DO training and assistance
- Tools and resources to assist DOs
- Roles associated with Program activities



APPENDIX C

CNSC DO Positions and Authorities

REGULATORY OPERATIONS BRANCH	Title of Office	37(2)(a)	37(2)(b)	37(2)(c)	37(2)(d)	37(2)(e)	37(2)(f)	37(2)(g)	37(2)(h)	65.05
	Director <i>Transport Licensing and Strategic Support Division</i>	✓		◆◆	◆◆		◆	◆		
	Transport Specialist (maximum 1 position) <i>Transport Licensing and Strategic Support Division</i>	◆◆		◆◆						
	Program Officer (maximum 1 position) <i>Transport Licensing and Strategic Support Division</i>	◆◆		◆◆						
	Director <i>Operations Inspection Division</i>						◆	◆		
	Director General <i>Directorate of Nuclear Cycle and Facilities Regulation (DNCFR)</i>			◆	◆	◆	◆	◆		◆
	Director <i>Canadian Nuclear Laboratories Regulatory Program Division (CNLRPD)</i>						◆◆			
	Director General <i>Directorate of Power Reactor Regulation (DPRR)</i>					◆	◆	◆		◆
	Director <i>Bruce Regulatory Program Division</i>						◆◆			
	Director <i>Pickering Regulatory Program Division</i>						◆◆			
	Director <i>Darlington Regulatory Program Division</i>						◆◆			
	Director <i>Gentilly-2/Point Lepreau Regulatory Program Division</i>						◆◆			
	Director General <i>Directorate of Regulatory Improvement and Major Projects Management (DRIMPM)</i>					◆	◆	◆		◆



APPENDIX D

Breakdown of DO Authorities Carried Out (2021)



DO Authorities Carried Out – 2021

3,257 licensing and certification authorities in 2021 including:

- 1703 authorities by DNSR
 - 136 licences issued
 - 444 licences renewed
 - 840 licence amendments
 - 113 licence revocations
 - 85 licence transfers
 - 70 prescribed equipment
 - 15 personnel certifications
- 508 personnel certification authorities by DSM
- 1023 authorities by DSS
 - 825 licences issued
 - 198 licences amended, revoked or transferred
- 15 licence amendment authorities by DERPA
- 8 authorities by DNCFR

23 non-licensing authorities in 2021 including:

- 11 compliance and 4 inspector designation authorities by DNSR
- 2 return to work authorization and 2 inspector designation authorities by DERPA
- 1 compliance authority by DSS
- 3 compliance authority by VP ROB

**DOs carried out 3,280
authorities in 2021**



APPENDIX E

DO Decisions Reportable to the Commission

Pursuant to subsection 37(5) of the NSCA



37(5) DO Licensing Decisions for 2021 (1/3)

37(5)(a)	37(5)(b)
<p>2 refusals to issue an export licence by the Non-Proliferation and Export Controls Division.</p> <p>On the basis that the proposed export would be inconsistent with the measures which Canada has adopted with respect to the implementation of Canada's international obligations on the non-proliferation of nuclear weapons or other nuclear explosive devices.</p> <p>1 refusal to issue a licence to service prescribed equipment by the Nuclear Substances and Radiation Devices Licensing Division</p> <p>Owing to missing information that demonstrates the applicant is qualified to perform the licenced activities.</p>	<p>68 licences issued with a financial guarantee:</p> <ul style="list-style-type: none">• 24 by the Accelerators and Class II Facilities Division• 44 by the Nuclear Substances and Radiation Devices Licensing Division



37(5) DO Licensing Decisions for 2021 (2/3)

37(5)(d)

10 inspector orders* confirmed or amended by the Directorate of Nuclear Substance Regulation:

Order #	Date of DO Decision	Date of Order	DO Decision	Licence#	Licensee
1223	2021-04-27	2021-02-15	Confirmed	17481-1-24.0	Focus NDT Inc.
0570	2021-05-05	2021-03-17	Confirmed	16086-1-24.0	Canadian Engineering & Inspection Ltd.
1080	2021-06-14	2021-04-13	Amended	Not a licensee	AM Jade Co. (Not a licensee)
1243	2021-08-17	2021-07-21	Confirmed	12042-1-22.0	Davroc Testing Laboratories Inc.
1251	2021-09-13	2021-08-23	Confirmed	14462-1-25.0	Candec Engineering Consultants Inc.
0575	2021-10-08	2021-09-16	Confirmed	14315-1-25.0	Groupe ABS inc.
1338	2021-11-05	2021-10-04	Confirmed	12819-2-25.0	Englobe Corp.
1339	2021-11-05	2021-10-04	Confirmed	13377-1-23.3	Solmatech inc.
1340	2021-11-05	2021-10-14	Confirmed	17416-1-26.0	FNX-INNOV Inc.
1252	2021-11-26	2021-09-24	Confirmed	15071-1-24.0	Cool Beer Brewing Co. Incorporated



37(5) DO Licensing Decisions for 2021 (3/3)

37(5)(d) continued

1 inspector order* amended by the Directorate of Securities and Safeguards:

Order #	Date of DO Decision	Date of Order	DO Decision	Licence#	Licensee
6656254	2021-11-12	2021-10-07	Amended	NRTEOL-01.00/2028	Canadian Nuclear Laboratories Ltd.

*Further information on the inspector orders made in 2021 will be included in the *2021 Regulatory Oversight Report* applicable to that licensee.



APPENDIX F

DO Community Forum 2021 and 2022 Agendas



June 2021 DO Forum

Agenda

Subject/ Objet	Designated Officers Community Forum 2021/ Forum de la communauté des fonctionnaires désignés 2021		
Date	FRIDAY, JUNE 4, 2021 / VENDREDI LE 4 JUIN 2021		
Time / Heure	10:00 AM – 12:00 PM		Duration/Durée: 2 hrs
Agenda ~ Ordre du jour	1.	Welcome, Opening Remarks / Bienvenue, message d'ouverture T. Panichevska (ROCD), R. Jammal (EVP/CROO)	10h00 – 10h15
	2.	DNSR Case Study / Étude de cas DRSN [e-Doc 6575079] C. Pike (DNSR-OID)	10h15 – 11h00
	3.	Case Study: Refusal to issue a licence / Étude de cas: Refus de délivrance de Permis [e-Doc 6573364] P. Bourassa (DSS-NPECD)	11h00 – 11h45
	4.	Wrap up / Sommaire de la journée T. Panichevska (ROCD)	11h45 – 12h00



May 2022 DO Forum

Agenda

Subject/ Objet		Designated Officers Community Forum 2022 / Forum de la communauté des fonctionnaires désignés 2022	
Date		THURSDAY, MAY 5, 2022 / JEUDI LE 5 MAI 2022	
Time / Heure		09:00 AM – 12:00 PM	Duration/Durée: 3 hrs
Agenda ~ Ordre du jour	1.	Welcome, Opening Remarks / Bienvenue, message d'ouverture L. Thiele (LCAB VP / DGAJC VP)	09h00 – 09h15
	2.	Update on Designated Officer Program / mise à jour du programme FD T. Panichevska (Registry / Greffe de la Commission) (E-doc 6783546)	09h15 – 9h45
	3.	Case Study #1 – Issuing an Order to a Non- Licensee / Emission d'un ordre à un non-titulaire de permis K. Owen-Whitred (DNSR / DRSN) (E-doc 6776627)	9h45 – 10h15
	4.	Break / Pause	10h15 – 10h30
	5.	Case Study #2 – Export Controls to Russia: New DO Considerations / Étude de cas #1 - Contrôles à l'exportation en Russie : nouvelles considérations pour FD D. Reinholz (DSS-NPECD / DSG-DNPCE) (E-doc 6785652)	10h30 – 11h00
	6.	Legal Matters Related to DO Authorities / questions juridiques liées aux autorités des FD R. Ringer / C. Maheux (LCAB / DGAJC) (E-doc 6782112 (English) / 6788624 (French))	11h00 – 11h45
	7.	Wrap up / Sommaire de la journée T. Panichevska (Registry / Greffe de la Commission)	11h45 – 12h00