



G20-04

# **Guidelines for Recognizing and Reporting Suspicious Transactions of Explosives Precursor Chemicals**

Explosives Regulatory Division

June 2022

*Également disponible en français sous le titre : Lignes directrices pour reconnaître et signaler les transactions suspectes des précurseurs chimiques d'explosifs*

### **Disclaimer**

This document is intended to help stakeholders recognize suspicious behaviours during transactions of explosives precursor chemicals. The information in this guide is not exhaustive, but can be used to assist sellers.

### **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**

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# About this Document

## Purpose

### Chemicals in the Wrong Hands Can Be Deadly — Security Begins With You

Explosives precursor chemicals (EPCs) are chemicals that are widely used, readily available and sold for legitimate purposes. But, if they fall in the wrong hands, they can be used to make homemade explosives (HMEs). The misuse of these chemicals is a threat to the safety and security of Canadians. Your vigilance around these chemicals is essential. The purpose of this document is to help you identify suspicious behaviours during a transaction and know how to report any suspicious transaction or a refusal to sell.

The Explosives Regulatory Division (ERD) of Natural Resources Canada (NRCan) administers the *Explosives Act* and its regulations. Part 20 of the *Explosives Regulations, 2013* focuses on the sale and secure storage of EPCs, and describes the requirements for these chemicals. In Canada, 14 EPCs have been deemed restricted components (RCs). RCs are subject to the Regulations and are listed in Table 1.

## Scope

This document focuses on the 5Rs (Remember, Recognize, Refuse, Record and Report) to help you understand how to:

- **Remember** chemicals of concern
- **Recognize** suspicious activities or behaviours
- **Refuse** a suspicious transaction
- **Record** important details
- **Report** incidents

The scope of this document does not include the regulatory requirements for RCs. If you need more information about the requirements, please refer to the [Explosives Regulations, 2013](#) and the following documents available on our website:

- G20-05 — Guidelines for Tier 1 Restricted Components Sellers
- G20-06 — Guidelines for Tier 2 Restricted Components Sellers
- G20-07 — Guidelines for Tier 3 Restricted Components Sellers

### Keep in Mind...

It is not possible to identify or refuse all suspicious transactions. The goal is to raise awareness with as many sellers as possible to help minimize the risk of these chemicals getting into the wrong hands. The more knowledge and information we can provide you with, the more likely you will be successful in ensuring the safety and security of Canadians.

## Follow the 5Rs

### REMEMBER CHEMICALS OF CONCERN

It is important to identify and remember which RCs or EPCs you sell or you use to manufacture a product for sale. Being knowledgeable about unregulated EPCs and equipment that can be used in the production of HMEs can also help you identify a suspicious transaction. The tables below provide a list of the common chemicals and equipment used to manufacture HMEs.

#### Restricted Components (Regulated)

Restricted Component		Regulated if concentration is at least
Tier 1	Ammonium nitrate in solid form	28% nitrogen
	Calcium ammonium nitrate	See note below
Tier 2	Hydrogen peroxide	30%
	Nitromethane	90%
	Potassium chlorate	90%
	Potassium perchlorate	90%
	Sodium chlorate	90%
	Nitric acid	75%
	Potassium nitrate	90%
	Sodium nitrate in solid form	90%
	Sodium nitrate and potassium nitrate mixture	90%
	Hexamine	90%
	Aluminum powder in dry form with a particle size of less than 200 µm	70%
Tier 3	Acetone	90%
	Ammonium nitrate in solid form that is contained in a cold pack	28% nitrogen
	Calcium ammonium nitrate that is contained in a cold pack	See note below

Note: Refer to the [Explosives Regulations, 2013](#) for the definition of calcium ammonium nitrate.

#### Explosives Precursor Chemicals of Concern — Watchlist (Unregulated)

Urea	Sulphuric acid
Hydrogen peroxide (less than 30%)	Nitric acid (less than 75%)
Hydrochloric acid (Muriatic acid)	Calcium ammonium nitrate double salt
Calcium nitrate (trihydrate)	Magnesium nitrate hexahydrate
Magnesium powder	Potassium permanganate

#### Equipment and Other Materials of Concern

Batteries such as 9 volt batteries	Mouse traps, springs
Christmas lights or lightbulbs	Wireless items such as garage door openers, doorbells
Pipes and end caps	Pressure cooker

Screws, ball bearings, marbles	Coffee filters
Glassware (e.g., round bottom flasks, baking dishes)	Heating mantles/plates
Thermometers	Powdered drink mixes
Drain cleaners, bleach	Citric acid, vinegar
Consumer fireworks	Propellant powder
Personal protective equipment	Walkie-talkies

ERD has developed a 5R card that you can use for identifying chemicals sold in your establishment. It should be kept near the sales counter and in a place that can only be seen by the employees and not the customers.

### Keep in Mind...

Finished products that contain a mixture of an RC and other ingredients are not subject to the *Explosives Regulations, 2013* (unless they are an explosive or the concentration of RC in the product is above the regulated quantity). For example, paint, sealants, concrete and sunscreen that contain aluminum powder are not subject to the Regulations.

However, some RCs are repackaged and renamed as a product (e.g., camping fuel tablets, stump remover, nail polish remover, instant cold packs). These products typically only contain RCs and are subject to the Regulations.

If you are in doubt about some of the products that you sell, please contact our office.

## RECOGNIZE SUSPICIOUS ACTIVITIES OR BEHAVIOURS

Every establishment that deals with chemical manufacture, distribution or sale is in an exceptional business — one in which theft or a simple transaction can lead to serious crimes involving explosives. With awareness, you may be able to detect anything that is suspicious and you can help ensure the safety of our communities.

Suspicious activities that could be observed in your establishment include theft, attempted theft or tampering. Be vigilant. Keep a watchful eye for any unusual incident or activity around your EPCs.

Use your judgement to determine if a transaction is suspicious. Do this on a case-by-case basis. It is important to remember that every manufacturer, distributor and retailer is different. What could be considered a normal transaction for one could be considered suspicious for another. You know your business best.

The list of possible indicators below is not exhaustive, but can be used as a guide to assist sellers in identifying transactions that may be suspicious.

## Customers' Behaviour

- They try to purchase unusual quantities of the product (e.g., too large, too small, out of season — they deviate from normal patterns)
- They are evasive or argumentative
- They appear nervous (e.g., looking over their shoulder frequently, hiding their face, avoiding the cameras, avoiding eye contact)
- They return with unusual frequency to purchase the same products (e.g., a customer buys a single bottle of nail polish remover every couple of days)
- They ask for or try to buy more than one product of concern (e.g., they want to purchase acetone and instant cold packs)
- They have an unusual preoccupation with certain products and their concentrations
- They refuse alternative or substitute chemicals that you suggest
- They deflect questions, are very vague or give simple answers about how they intend to use the product
- They ask how much of a product is available to be purchased at one time
- They ask questions not relevant to the proper use of the product
- They try to purchase chemicals and equipment of concern (e.g., they want to purchase acetone, a pressure cooker and nails)

### For Tier 1 and Tier 2 Components:

- They are reluctant to provide information about their business (e.g., name, phone number, address)
- They are reluctant to fill out a written order form
- They refuse to show ID

## Physical Appearance

- Their hands or fingers are discoloured (i.e., white or yellow)
- They have burns on their arms or hands
- There are burn marks on their clothes
- Their fingers or hands are bandaged

## Payment Inconsistency

- They usually pay with cash, even when the sum is large
- The shipping cost is higher than the cost of the product

## Unusual Business Practices

- They insist on picking up large orders themselves instead of having the orders shipped
- Orders are made for a very well-known company, but the name of the receiver and the shipping address are different
- Orders are divided among multiple companies
- The size of the order does not match the intended use or the size of the company making the purchase
- Repetitive orders that do not match the intended use or the size of the company making the purchase
- The shipping address is a P.O. box

**Keep in Mind...**

There can be legitimate reasons why individuals must purchase these products and it may be normal for individuals to exhibit some of the above behaviours or have certain physical appearances. However, **it is a combination of multiple factors** that could lead you to feeling that something is suspicious.

There is no specific type for individuals who will make HMEs. They can be male, female, single or married. Race, ethnicity and religious affiliation are not suspicious. Only behaviours and situations should be reported.

**Self-Checkouts**

Self-checkouts will pose some challenges to identify suspicious behaviours. Each individual establishment must decide how they will approach this issue.

**Tier 1 and Tier 2**

Self-checkouts should not be allowed for Tier1 and 2 components because there is a requirement to verify photo ID and, in some instances, records of sale must be recorded at the time of the transaction. However, your business may have a system in place that can allow for this method.

**Tier 3**

While not mandatory, the following procedures are recommended for assessing transactions:

- Not allowing these products to be purchased via a self-checkout station
- Flagging certain products (e.g., acetone, instant cold packs) in the system and having an associate enter a code to complete the sale. This step allows self-checkout staff to identify purchases being repeated with unusual frequency or notice when the quantity or combination of products is unusual.
- Training self-checkout staff to be observant can help stop many types of suspicious activities

**Online Transactions**

It is more difficult to determine suspicious behaviours when transactions are being made online. However, many examples from above can apply to online sales.

Some examples of suspicious online behaviours are:

- A combination of RCs and EPCs have been requested
- An unusual quantity or a product out of season has been requested (i.e., orders that deviate from normal patterns)
- A P.O. box is used as the shipping address
- Multiple orders use different billing addresses for the same shipping address



While not mandatory, the following procedures are recommended for assessing transactions:

- Have the customer call to place the order. This would be helpful for Tier1 and 2 components due to the requirements associated to those sales.
- Orders could be pick up in store only; therefore, it would be easier to verify the sale. For Tiers 1 and 2 components, this would allow for easier ID verification and recording of sales transactions, if required.
- Only allow traceable payments to be made for RCs (e.g., do not accept cash on delivery, do not allow gift cards)
- Use a flagging system that will alert you when a customer has purchased RCs so that the order can be assessed
- Allow time to assess the order before it is shipped. The order could be cancelled and the money could be refunded if you feel the transaction is suspicious.
- Review high-value orders of RCs
- Do not sell these chemicals online if you feel it would be too difficult to implement procedures for identifying and reporting suspicious transactions

**Keep in Mind...**

It is important to remember that regulatory requirements still apply to online sales of RCs. It is the responsibility of the seller to ensure requirements are being met.

**REFUSE A SUSPICIOUS TRANSACTION**

The *Explosives Regulations, 2013* gives you the right to refuse a suspicious transaction if you have reasonable grounds to suspect that an RC (regulated explosives precursor) will be used for a criminal purpose. In fact, it is your legal duty to do so. Therefore, if you have followed the above procedures and feel a transaction is suspicious, refuse the sale.

If, as an employee, you feel a transaction is suspicious, but are nervous to refuse the sale, you can let the customer know you have to call your manager to complete the sale or the product is coming up with a warning for some reason. This delay in the transaction could cause the customer to leave the premises. If the customer decides to proceed, your manager can help finish the sale or refuse it.

**Keep in Mind...**

A suspicious transaction is any purchase or attempted purchase of one or more EPCs that deviates from normal expectations or encounters.

## RECORD IMPORTANT DETAILS

Record the important details after the incident occurs to give the best information possible to law enforcement officers.

Document as many of the following details as possible:

- Describe the suspicious behaviour itself
- Record the date and time when the product was requested, and the quantity requested
- Describe the customer's physical appearance (e.g., height, weight hair colour) and distinct features (e.g., tattoos, scars, facial hair)
- If possible, record the vehicle make, model and licence plate
- Save any paper on which they may have written a name or address. Handle this paper as little as possible to preserve fingerprints
- If multiple staff members or witnesses are involved, try to have each write down information separately so they do not influence each other

See Appendix A for the form you can use for recording important details.

### Keep in Mind...

The more information you have, the better. However, even if you do not have a great deal of information about an incident that you feel is suspicious, you should call and report it.

## REPORT INCIDENTS

Every refusal to sell a regulated RC **MUST** be reported to the police and NRCan. Additionally, the same reporting obligations apply if you discover any theft, attempted theft or tampering of an RC.

To report any refusal to sell, theft, attempted theft or tampering, please call:

**RCMP National Security Information Network (1-800-420-5805)** or your local police

and

**NRCan, Explosives Regulatory Division (1-855-912-0012)**

For all other unregulated chemicals, you should report any transaction you feel was suspicious. This is voluntary. However, you will be helping to minimize the illegitimate access to EPCs.

A timely report can help save lives!

**Keep in Mind...**

If you did not refuse a sale, but have concerns afterwards that the transaction could have been suspicious, you should report it to the police. Law enforcement will decide what to do with the information, but you can rest assured that you are helping to minimize illegitimate access to EPCs and keeping your community safe. It is better to call after a suspicious sale was made than not call at all.

**Conclusion**

Each establishment is responsible for deciding how to implement the requirements.

NRCAN has training tools available such as guidelines, self-guided employee training, a chemical awareness video, pamphlets and posters. These tools can help ensure all employees are aware of their responsibilities. You can find them on our website.

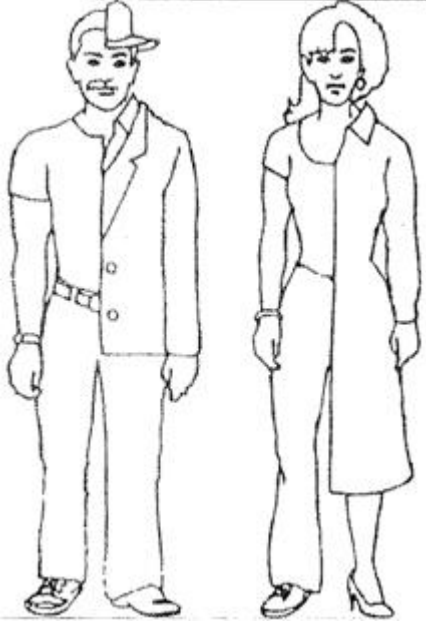
To help employees remember the key points of this document, keep a 5R card behind the sales counter.

It will not be possible to stop every suspicious transaction; however, you can play an integral role in being the first line of defence to minimize the risk against individuals who want to use these materials to harm our communities and jeopardize our way of life. Help keep our communities and families safe.

**Canada is counting on your eyes, your instincts and your cooperation. Sell chemicals responsibly.**

## Appendix A — Details of a Suspicious Transaction Form

Your Company Name:		Date:
Contact Person:	Phone:	
	Cellular:	
Chemical Requested:		
Quantity Requested:		
Date and Time of Suspicious Request:		
By Phone or in Person:		
Individual's Name:		
Individual's Address:		
Method of Payment:		
Individual's Vehicle Type:	Licence Plate:	Colour:
Direction the Individual Took when Driving Away from Your Store:		
Individual's Description (provide as much information as possible)		
Sex:		
Race:		
Height:		
Age:		
Weight:		

Hair:		Hat:
Type of glasses:		Tie:
Complexion:		Shirt or Upper Garment:
Scars/Marks:		Coat:
Tattoos:		Pants:
Jewelry:		Shoes:
Additional Information:		