



EPR Canada

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2013

Extended Producer Responsibility (EPR)

SUMMARY REPORT

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 Summary of advancements in EPR policy and programs in Canada during 2013

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This is the third of EPR Canada's annual reports on Canadian federal, provincial and territorial EPR policies, programs and practices.

EPR Canada reports on the progress made by Canadian jurisdictions year-over-year in developing and implementing extended producer responsibility (EPR) policies and programs in compliance with the Canadian Council of Ministers of the Environment's (CCME) Canada-wide Action Plan on EPR. This year, EPR Canada has produced an overview summary reflecting on 2013 activities in place of a fully scored report card. The next full report card will be published in 2015 for 2014 activities.

EPR Canada (EPRC)

EPR (Extended Producer Responsibility) Canada (EPRC) is a not-for-profit organization formed in 2011 by seven like-minded [Canadians](#) who have been involved in EPR policies and programs since they first began to take hold in this country in the 1990s. The goal of EPRC is to foster continued growth and improvement of EPR policies, programs and practices in Canada (www.eprcanada.ca).

What EPRC Seeks to Accomplish with this EPR Report Card

In 2012, EPRC set out to produce an annual report on federal, provincial and territorial EPR policies, programs and practices to:

- 1) to encourage leadership, innovation, best practices and effective EPR policy and program development, implementation, management and harmonization across Canada; and
- 2) to encourage jurisdictions to evolve product stewardship and partial EPR programs to full EPR programs (see Transitioning Product Stewardship to full EPR Chart).

See previous report cards at www.eprcanada.ca. To date, EPR Canada has published a report card in [2012](#) and [2013](#).

2014 Progress Summary

Recognizing that the development of EPR policies and programs takes time, in 2014, EPR Canada elected to prepare a more general assessment reflecting the state of EPR in Canada in 2013 in place of the fully scored report card. This transitional period allows for a more robust Report Card to be produced in 2015 reflecting progress since the 2012 report card and 2014 activities.

Content Development

To assist in the preparation of this 'state of EPR' summary, EPR Canada asked Canada's 10 provinces, two territories and federal government for relevant information on the development of EPR programs that took place in their jurisdictions during 2013. Responses by a number of jurisdictions helped to frame the content of this document.

In the preparation of regular report cards, EPR Canada evaluates jurisdictions' performance in EPR policy in three main category areas:

- 1) **Commitment** - towards [CCME's Phase 1 and Phase 2 product and materials lists](#)
- 2) **Implementation** - EPR implementation focuses on policies and practices to measure performance including:
 - a. activities to ensure that stewards met their regulatory obligations, including free rider tracking and actions;

- b. activities to monitor the performance of EPR programs, including program reviews;
- c. EPR legislation review procedures and outcomes, and
- d. evidence of policies and practices to support diversion through EPR programs.

3) **Accountability** – Target setting and verifiable public reporting on results, including:

- a. collection, recycling and/or recovery targets (and target setting methodology) for each EPR program;
- b. non-diversion environmental performance measurement practices;
- c. dispute, enforcement and consequences if producers or producer responsibility organizations do not achieve their targets; and
- d. public reporting on each EPR program's business plan, annual report and program reviews.

Next Report Card in Fall 2015

In early 2015, EPR Canada will circulate a full questionnaire to all jurisdictions and release a fully scored report card in the fall at the Canadian Stewardship Conference to be held in Banff in October.

- EPR Canada's [2012 Report Card](#)
- EPR Canada's [2013 Report Card](#)



What is EPR?

Extended producer responsibility (EPR) is defined by the OECD¹ as an environmental policy approach in which a producer's responsibility, physical and/or financial, for a product is extended to the post-consumer stage of the product's life cycle. This approach is the basis for the Canadian Council of Ministers of the Environment's (CCME) [Canada-wide Action Plan \(CAP\)](#) for EPR.

The plan identifies two phases, the first comprising seven material groups and the second comprising five material groups that regulatory jurisdictions should target for EPR.

Under EPR, producers are responsible for designing, operating and paying for programs to manage the products and packaging they supply into the marketplace at end of life. Producers, described as brand owners, manufacturers and first importers assume responsibility when users put the designated products and materials into the program's collection system.

(Visit the ERPC website for an explanation of the [differences between EPR and product stewardship](#).)

¹ Organization for Economic Co-operation and Development Extended Producer Responsibility: A Guidance Manual for Governments, 2001 (www.oecd.org/home/0,3675,en_2649_201185_1_1_1_1_1,00.html)

JURISDICTION SUMMARIES— *Progress in EPR during 2013*



Newfoundland and Labrador

Newfoundland and Labrador (NL) launched its waste electronics and electrical equipment program in August 2013 as part of the Electronics Products Recycling Association. It is patterned after comparable programs operating in PEI and Nova Scotia.

The province rolled the existing volunteer EPR cell phone program, managed and funded by the Canadian Wireless Telecommunications Association (CWTA), into the new e-waste program. CWTA was designated as the responsible steward for cell phones under the new program.

In 2013, the province, in partnership with the three other Atlantic jurisdictions, undertook a study to develop a framework for the stewardship of waste packaging and paper currently managed and funded by municipalities. The study was released in August, 2014.

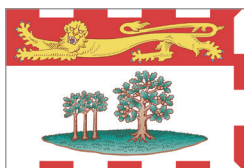
NL is also considering EPR options for used oil, oil containers, oil filters, glycol and household hazardous wastes.



Nova Scotia

In 2013, Nova Scotia (NS) undertook a review of waste diversion and EPR policy; however, a consultation document on the initiative was not released until May 2014.

Along with the other three Atlantic jurisdictions, NS undertook a study to develop a framework for the stewardship of waste packaging and paper currently managed and funded by municipalities. The study was released in August, 2014.



Prince Edward Island

Prince Edward Island (PEI) continued to develop EPR initiatives in 2013 including drafting updates for the Material Stewardship and Recycling Regulations intended to replace the current Material Recycling Regulations. EPR materials added in the new regulations include lamps and bulbs; used oil, oil filters and oil containers; glycol; pharmaceuticals; medical sharps; and lead acid batteries.

In addition, PEI has participated in the study with the other Atlantic Provinces to pursue the option of moving to a full EPR program for packaging and paper.

In the area of electronics, PEI regulations empower stewardship organizations to enforce compliance by brandowners, and provide a regulatory framework of fines and other penalties when the stewardship organization advises government of any companies in non-compliance. In October 2013, a free rider in the electronics

business was addressed when an Eastlink stewardship plan was approved by the Minister of the Environment after a non-compliance situation was discovered and managed within the regulatory instruments in place.

PEI also continued to work on moving voluntary EPR programs for cell phones (Canadian Wireless Telecommunication Association) and primary/recyclable batteries (Call2Recycle) to regulated programs in the next year or two.

New Brunswick

New Brunswick (NB) proclaimed a new EPR regulation for used oil, oil containers, oil filters and glycol in 2013 with a program launch in January 2014. It is also considering transitioning the existing product stewardship program for waste tires, run by Recycle New Brunswick, to a regulated EPR program. In lieu of an EPR regulation, the province has signed a memorandum of understanding with producers to recognize the existing voluntary program for the management of end-of-life lead acid batteries.

In 2013, NB joined with the other Atlantic jurisdictions, to undertake a study to develop a framework for the stewardship of waste packaging and paper currently managed and funded by municipalities. The study was released in August, 2014.

In 2012, NB consulted on its draft EPR regulation for waste electronics and electrical equipment; however, the regulation was not adopted in 2013 and the schedule for its legislative passage is uncertain. The proposed regulation contains a cost internalization requirement and would ban point-of-purchase eco-fees. NB is the only province that does not have an EPR program yet or a provincially-operated product stewardship program for electronics.

Quebec

Québec (QC) continues to act on the goals and objectives of its Residual Materials Management Policy and its 2011 – 2015 Action Plan, which includes a commitment to designate two new products for EPR regulation every two years. For example, QC made a commitment to transition the existing tire stewardship program, run by Recyc-Québec, to an EPR program; however, regulations to establish the new program were not adopted in 2013.

QC announced that it is considering additions to the list of designated waste electronic and electrical equipment and it initiated a review of products on the CCME's EPR Action Plan Phase 2 list for possible EPR regulation.

In addition, as part of its 2013 – 2020 Climate Change Action Plan, QC made a commitment to recover and reclaim ozone depleting substances from refrigeration equipment through the use of an EPR instrument with special attention to large household appliances. The province also launched a study, expected to be completed in 2015, to review the option of moving to a full EPR program for packaging and printed paper, as has been done in British Columbia.





Ontario

As noted in the 2012 EPR Canada Report Card, the most significant EPR development in Ontario in 2013 was the introduction of Bill 91, the Waste Reduction Act (and its companion Strategy). The proposed Act died on the legislative order paper in April 2014 when the provincial election was called. Key elements of the draft Act were to address the concern that “current waste diversion has stalled in Ontario”, to promote individual producer responsibility (IPR), to “kick start” industrial, commercial and institutional (ICI) waste diversion, and to lift the 50% cap on producer funding for the blue box recycling program.

The Act and Strategy garnered significant reaction. The most controversial elements of the Act, based on the debates and submissions that ensued, included whether the draft Act represented a move to “true IPR”; the entrenched role for municipalities within the envisaged new system (including a defined role in ICI waste diversion); and the expanded role of the new Waste Reduction Authority.

The 2013 discussions around the new draft Act renewed interest in Industry Stewardship Plan (ISP) applications. In its 10-year history, Waste Diversion Ontario (WDO) has approved only two ISPs (for thermostats and mercury containing bulbs neither of which was implemented due to the Ministry of the Environment’s cancellation of Phases 2 of the Municipal Hazardous and Special Waste program). However, with a new set of procedures and guidelines, WDO received applications for four ISPs: consumer batteries; paints and coatings; pesticides, solvents and fertilizers; and beverage containers (excluding alcohol and dairy). Decisions on these applications are pending. Some see ISPs as a way to address industry funding organization/ producer responsibility organization (IFO/PRO) monopoly concerns.

WDO also conducted a detailed review of the waste electrical and electronic equipment (WEEE) program; reviewed proposed changes to the incentive rates for Ontario Tire Stewardship; and implemented a dispute resolution process for the 2014 blue box steward obligation - the first time in 10 years a dispute resolution has been needed.

Manitoba

In 2013, Manitoba (MB) focused on the development of an annual waste and recycling report that combines information on the Waste Reduction and Recycling Support (WRARS) landfill levy program with information reported by the approved EPR programs. In addition, the province amended the Waste Reduction Action Plan (WRAP) to allow for organic and construction, renovation and demolition waste to be eligible for funding under the WRARS Program, and for possible future development of regulations to implement landfill material bans.

The province considered two new materials – beverage containers and wireless



telephones – for designation under EPR regulation. Household hazardous waste (HHW) and e-waste programs were transitioned to be financed and operated by stewards. Other highlighted activities included;

- Establishing standardized templates to support consistent reporting by all stewardship programs.
- New agreements with the HHW producer responsibility organization to provide funding support to manage non-program HHW recovered through their collection network.

Looking forward, MB plans to focus on standardizing EPR reporting, which will enable it to undertake more robust performance comparisons year-over-year among its programs and programs in other jurisdictions. The province also plans to examine opportunities to enhance EPR initiatives through revisions to the waste disposal regulations.

Saskatchewan

2013 can be characterized as a year of preparation on a number of EPR-related fronts in Saskatchewan (SK).

At the end of December, the Minister of Environment approved the long anticipated multi-material recycling program (MMRP) for household printed paper and packaging. Multi-Material Stewardship Western Inc. (MMSW), a member of the Canadian Stewardship Services Alliance (CSSA), prepared the program plan during the first half of 2013 after consultation with Saskatchewan municipalities, municipal associations and other stakeholders. As required by regulation, the approved program splits the cost of “efficient and effective” curbside and depot recycling programs between municipalities (25%) and producers (75%). The program launches January 1, 2015, so 2014 will be a year of preparation.

After an extensive government-funded pilot project, SK drafted an EPR regulation for agricultural plastics in 2013. Based on consultations with stakeholder groups, the province refined the regulation and it is expected to go before Cabinet for approval sometime in 2014.

Preparations were underway in 2013 for two new regulations for household hazardous waste. The regulations increase the number of petroleum products to be recycled in SK, and include antifreeze, antifreeze containers, diesel exhaust fluid containers and diesel fuel filters. This harmonizes the materials list with some other provinces. In addition, in response to the Canada-wide phasing out of the sale of incandescent light bulbs (beginning January 1, 2014), Saskatchewan established compact fluorescent light bulb collection days across the province.





Alberta

Alberta is proposing a new regulation that will include provisions to enable EPR, and considering packaging and printed materials and household hazardous waste as the first materials designated.

Alberta Environment and Sustainable Resource Development launched a stakeholder consultation process in late 2013 to obtain feedback on proposed changes to its current recycling regulations. The proposed changes would bring together nine existing regulations under one Designated Materials Recycling Regulation for materials currently managed under stewardship programs, including beverage containers, used oil, used oil filters and containers, tires, electronics and paint. The changes also include:

- removing regulated recycling fees and instead allowing the organizations responsible for managing the programs the flexibility to adjust fees as required to operate their program, and
- a proposal to expand the Electronics and Used Oil Recycling Regulations to include a broader range of items which would bring Alberta's programs more in line with the materials included in other provincial programs.

The consultation also solicited input on the specifics of the proposed EPR regulation, such as timelines for submission of stewardship plans and program implementation; material definitions; and inclusion of non-residential (e.g., industrial, commercial, institutional) material within the packaging and printed materials EPR regulation. Stakeholder feedback was summarized in a public report released in early 2014.

It is unclear how these discussions will move forward into regulatory change, or when these changes may be considered at the legislative level.



British Columbia

The primary focus of attention in British Columbia (BC) in 2013 was the approval, in April 2013, of the EPR program for packaging and printed paper (PPP) followed by preparations for program launch scheduled for May 2014. Under BC's Recycling Regulation, designated PPP stewards have been given both financial and operational responsibility for the collection, processing and marketing of PPP across the province. BC is the only province that has mandated a full producer responsibility program for PPP.

The PPP stewardship plan was submitted to the province by Multi-Material British Columbia (MMBC) in November 2012 on behalf of MMBC's member stewards.

During 2013, MMBC worked with local governments and other service providers to establish the financial and operational protocols and contracts necessary to launch the

program. The majority of local governments chose to continue to provide curbside and depot collection programs as service providers under contract to MMBC.

The province established requirements for third party auditing for all EPR programs that included protocols for reporting certain non-financial data such as recovery rates, location of collection facilities and end-of-life management.

The Territories

Little changed for EPR in the Territories in 2013 and there continues to be no legislated EPR programs. Voluntary take back programs for rechargeable batteries, cell phones and pharmaceuticals operate in some parts of the Territories.

Planning and developing waste management strategies, including the provision and upgrading of waste and recycling services and standards, continues to be a major focus for Territorial authorities both individually and collectively. All of the Territories are challenged with addressing waste management needs in the numerous small and remote communities across the north and these challenges are explicitly recognized in the CCME Canada-wide Action Plan for EPR.

Both the Yukon and the Northwest Territories have structures or initiatives in place to review existing waste and recycling strategies, policies and regulations, and consideration is being given to the possible designation of certain wastes for management through either stewardship or EPR programs.



Canada

Environment Canada has authority under the Canadian Environmental Protection Act (CEPA), 1999 to use EPR to manage toxic substances and products containing toxic substances. Under this authority, EPR was cited as a possible instrument for the end-of-life management of some mercury containing products as far back as 2007, and most recently in February 2011 as a specific option for the risk management of lamps.

To date, however, regulations on mercury or mercury containing products have not been adopted and there were no signs in 2013 that EPR is being considered as a risk management tool for mercury or any other products with environmental, health or end-of-life management concerns.



Trends & Emerging Issues

Oversight and Reporting

Many jurisdictions continued to make progress in strengthening provincial oversight functions and establishing new reporting standards and protocols. For example, requirements for independent auditing of non-financial performance measures such as recovery rates have been established by BC. Key indicators for performance measurement and standards are not harmonized which means that comparative analysis of program performance remains a challenge.

While increasing numbers of programs do have measurable targets for collection, there are several areas, such as electronics, where targets are missing or are still under development. In addition, targets which are commonly applied in aggregate across all product and packaging categories, and the absence of specific category targets, means that under performance of some categories can be masked. For example, while packaging and printed paper programs have generic targets in the range of 60% – 75% recovery for all categories aggregated together with performance levels that generally meet those targets, the range of performance between packaging materials is highly variable with recovery rates ranging from highs of over 80% for some materials and lows of under 20% for others.

Environmental Sustainability

Quebec has launched an initiative which will require producers to determine by 2016 the actual costs for each product category managed under EPR programs and adjust fees in programs based on each product's and material's environmental characteristics and end-of-life management costs.

In the packaging area, producers are starting to take account of the costs and impacts of managing materials which are costly and challenging to process and market by imposing differential “disrupter” fees on problematic materials. Such fees are in place in Ontario and in Quebec, and this approach is supported in Québec by the Voluntary Code for the Optimization of Containers, Packaging and Printed Matter developed by Éco-Entreprises Québec.

Cost internalization/eco-fees

There was little or no movement on cost internalization and eco-fees in 2013. Ontario's proposed Bill 91 did outline plans to prohibit point-of-sale consumer fees but the legislation died on the order paper with the June 2014 provincial election. New Brunswick, which had proposed cost-internalization for its proposed electronics program, did not adopt the necessary regulations in 2013 and the issue is still outstanding. In contrast to Quebec, New Brunswick and Ontario, the issue has not received the same attention in other jurisdictions.

Harmonization

The harmonization of programs continued to progress in 2013 especially with the continued growth and development of both the Canadian Stewardship Services Alliance (CSSA) and Electronics Products Recycling Association (EPRA). CSSA is the “one stop shop” for stewards to fulfill their packaging and printed paper obligations for multiple jurisdictions while provincial organizations such as Stewardship Ontario are playing a much reduced role.

While some governments are working cooperatively, e.g., the four Atlantic provinces in their development of a packaging and paper framework, most jurisdictions are still focused almost exclusively on their own regulated programs. Some jurisdictions have indicated their programs do take developments in other jurisdictions into account and national level cooperation has received a boost through CCME work on waste and waste diversion.

Application of EPR to Packaging and Printed Paper

The application of EPR to packaging and printed paper (PPP) in British Columbia received a lot of attention in 2013, not only in the province but also nationally. BC’s PPP program is the first full EPR program in the country with designated producers given full program financial and operational responsibility. The change from well-established local government-funded and operated curbside, multi-family and depot recycling programs presented some unique challenges which were, and continue to be, debated. Local governments were faced with a choice of becoming contracted service providers to Multi-Material British Columbia, the producer responsibility organization, or ceasing to provide recycling collection services. Most municipalities ultimately decided to become service providers and continue to operate collection programs. MMBC is processing and marketing the collected materials through a contract to provide these services. The roll out of the program in 2014 will be watched with interest.





ACKNOWLEDGEMENTS

Thank you to the many federal, provincial and territorial officials and political leaders for your time and effort to participate in this important initiative. We anticipate this venture will gain recognition year-by-year and we look forward to working with representatives and leaders in each jurisdiction to advance our common interests in this central area of environmental policy where Canada continues to be a world leader.

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