

Canada- Recycling Initiatives

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PACKAGING RECYCLING REGULATIONS AND FEES

Quebec and Ontario are the only provinces in Canada that currently have packaging recycling regulations. The Waste Diversion Act of Ontario and Quebec's Environment Quality Act of Quebec require all companies who introduce packaging and printed-paper, (where they are the brand owner), share 50% of the cost of the implementation of the municipal Blue Box waste diversion program. To directly pay for the obligations, companies must register with Stewardship Ontario (SO) in Ontario and Eco Enterprises Quebec in Quebec as a voluntary contributor. Otherwise, the companies are required to pay administration fees to the distributors for handling the payment procedures.

ONTARIO

Stewardship Ontario was established under the Waste Diversion Act in 2002, and was designated as the Industry Funding Organization. Under its Blue Box Program Plan (BBPP), companies who meet all of the following criteria are required to pay 50% of the net cost of the municipal BBPP:

- A resident in Ontario.
- A brand owner, first importer, or franchisor of the consumer products and/or printed material sold/distributed in Ontario.
- The products or printed material generate "Designated Blue Box Waste" (DBBW). In other words, the packaging and/or printed material consists of one of a combination of glass, metal, paper, plastic or textiles that is potentially disposed in the Ontario municipal residential waste system.
- The combined gross Ontario revenue from the sale of all products and services for 2002, 2003, 2004 and/or 2006 greater than \$2 million.

Companies who meet all of the criteria are obligated to file a Steward's Report with Stewardship Ontario. Under the BBPP, stewards are defined as "brand owners resident in Ontario or first importers of materials that become Blue Box Waste." Thus, in the case of U.S.-imported products, the retail distributors who import the products will be responsible for the packaging fees. The retail distributors usually calculate the fee and make payments on behalf of the U.S. companies and charge an administration fee. To avoid the administration fees, U.S. companies may choose to become a voluntary steward if their gross Ontario revenue exceeds \$2 million. For further information on this program go to: www.stewardshipontario.ca

QUEBEC

Eco Enterprises Quebec (EEQ) is a private, non-profit organization that represents companies that market "containers and packaging" and "printed matter" in Quebec. Companies are subject to the Environment Quality Act if they meet the following criteria:

- Manufacture products under their name, brand or distinguishing guise.
- Have a retail establishment in Quebec.
- Are a small business, an association, a non-profit organization or a service provider.
- Generate packaging, containers or printed matter carrying the brand.

These companies are required to pay a compensation fee, or 50% of the net costs of municipal curbside recycling of containers, packaging and printed matter. Similar to Ontario, the retail distributors usually calculate the fee and make payments on behalf of the U.S. companies and charge an administration fee. To avoid the administration charges, U.S. companies may choose to become a voluntary contributor if their gross Quebec revenue exceeds \$1.5 million. For further information on this program: http://www.ecoentreprises.qc.ca/ANGLAIS/accueil.html

PROVINCIAL RECYCLING INTITIATIVES

BRITISH COLUMBIA

British Columbia has an Industry-led Product Stewardship strategy that places the responsibility for waste recycling on the producers and consumers of a product rather than the taxpayers. The producer is responsible for the collection and management of the recycling fees and it is ultimately the consumer or purchaser who pays the eventual fee. The fee for recycling waste of a product can either be hidden in the purchase price, where the consumer is not aware of the extra charge, or the fee can be consolidated when the consumer returns the product at the end of its life. As B.C. places responsibility on the industry, it is either the brand owner or the first importer into the province that is responsible for managing the product and packaging at its end-life. Industries propose a plan to the Ministry of the Environment on how they will obtain the fee from the consumer and report annually. If companies in B.C. import products from Ontario, where there is a stewardship program that requires companies to pay the recycling fees themselves based on sales, they are not required to pay a fee in British Columbia. For more information see: http://www.stewardshipcentre.bc.ca

SASKATHEWAN

Recycling fee administration programs in Saskatchewan are much smaller in scope when compared to other provinces within Canada. There are separate and distinct programs for specific products and no single intermediate organization that manages all recycling fees. The onus is on the industries and the consumers. The Provincial government is involved in the deposit refund for beverage containers and administers separate programs for used oil, oil filters and scrap tires.

ALBERTA

Alberta regulates its recycling fees by Delegated Administrative Organizations (DAO). The DAOs charge a fee for specific materials at the point of sale. The consumer is the one that eventually pays the recycling fee and the DAO simply manages the material. Environment Alberta does impose a maximum amount that DAO can charge. Alberta Recycling Management Authority (ARMA) is the DAO for electronic and tires waste. Alberta Urban Municipalities Association (AUMA) is the DAO responsible for recycling fees for oil. BCME is the DAO for beverage containers. If a product were to be imported from Ontario, there would be no additional fee placed on the product. The fee imposed by the DAO is what would be paid directly by the consumers. For further information see: www.ab.stewardshipcanada.ca

MANITOBA

Manitoba is headed towards a more industry-led program for the management of recycling waste fees. The industry determines how to collect a recycling fee, which is generally incorporated in the product purchase price. There are programs such as the Hazardous or Prescribed Household Material Stewardship Regulation and the Electrical and Electronic Equipment Stewardship Regulation that require suppliers to develop a plan to manage the disposal of certain products. For more information see: www.gov.mb.ca/conservation/pollutionprevention/waste

NEW BRUNSWICK

Waste reduction and diversion are a key part of the five-year *New Brunswick Climate Change Action Plan*. The Government of New Brunswick is working to improve waste management in the province through such means as better recycling and composting systems, further reduction of greenhouse gas emissions from landfills, reducing waste at its source, advocating recycled content in products and packaging, and promoting extended producer responsibility for products such as paint, oil and electronics.

Effective May 1, 2008, the Province of New Brunswick appointed Recycle New Brunswick to oversee their new waste paint stewardship program and continue assuming responsibility for their recycled tire stewardship program. Eventually, Recycle New Brunswick may oversee other industry-managed

stewardship programs for waste products such as oil, electronic components, batteries, mercury-containing devices, and pharmaceuticals.

NOVA SCOTIA

The province of Nova Scotia Stewardship program is based on three fundamental principles - "polluter pays", "product stewardship", and "shared responsibility" The obligation to control waste is placed upon upon both producers and consumers. Many materials, such as used motor oil, spent industrial lubricants, lead-acid (automotive) batteries, ethylene glycol (automotive antifreeze), scrap tires and other household hazardous wastes, including waste paint, are included in Nova Scotia's industry managed stewardship initiatives.

NEW FOUNDLAND AND LABRADOR

Multi Materials Stewardship Board (MMSB) is responsible for developing, implementing, and managing waste diversion programs in Newfoundland and Labrador. Waste diversion programs currently in place are province wide recycling of household waste, beverage containers, used oils, used tires, composte and cardboard and paper.

ELECTRONIC WASTE REGULATION IN CANADA

Canadians are increasingly interested in the proper recycling of end-of-life electronics. Provinces in Canada have or are expected to pass legislation requiring recycling surcharges paid on designated electronic goods shipped or sold into the province. Current programs have targeted five general categories for end-of-life product recycling. Products impacted are PCs, notebooks, monitors, printers and televisions, with additional items to be phased in, as per provincial schedules. Although efforts are being made to harmonize between provinces, impacted products may vary by province. Electronic Product Stewardship Canada (EPSC) is an industry association that was founded to promote harmonization among provincial electronic waste regulatory programs and strong environmental standards for the treatment of end-of-life electronics in Canada. www.epsc.ca

Alberta, British Columbia, Saskatchewan and Nova Scotia have implemented fee schedules which can be found at their respective websites listed below.

Alberta: www.albertarecycling.ca

British Columbia www.encorp.ca

Nova Scotia www.acestewardship.ca

Saskatchewan www.sweepit.ca

OPPORTUNITIES FOR AMERICAN FIRMS: Canadian waste diversion programs, generally regulated and funded provincially, vary from province to province. The common thread is that all provinces strive to reduce their solid waste footprint and continually seek efficient and innovative U.S. technologies in waste recycling, waste-to-energy and renewable energy. Specifically, opportunities for U.S. companies are strongest in packaging wastes (paper, glass, plastic, and metal), disposal and recycling of electric and electronic equipment (WEEE).

For More Information

The Commercial Service of the U.S. Department of Commerce offers a number of highly effective programs to help export-ready companies identify and establish business relationships in foreign markets. The Canadian market in particular represents a good "first step" for U.S. small to medium sized enterprises (SME). We would welcome the opportunity to assist you. Think "Canada- Building Bridges to Prosperity"

If this report has alerted you to a commercial service opportunity in Canada, and you subsequently pursue it with successful results, please let us know. We track U.S. success in Canada and want to know how our market services and reports are being used.

The U.S. Commercial Service in Vancouver, Canada can be contacted via e-mail at: Cheryl.Schell@mail.doc.gov; Phone: 604-642-6679; Fax: 604-687-6095; or visit our website: www.buyusa.gov/canada

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