



EPR Canada

SEPTEMBER 2013

2012

Extended Producer
Responsibility (EPR)

REPORT CARD

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Year two of this first-of-its-kind report card on Canadian federal, provincial and territorial EPR policies, programs and practices

Reporting on and grading Canadian governments' progress 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

EPR CANADA

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Who is EPR Canada?

EPR (Extended Producer Responsibility) Canada (EPRC) is a not-for-profit organization formed in 2011 by eight 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.com).

What EPRC Seeks to Accomplish with this EPR Report Card

EPRC's objectives in producing this report card on federal, provincial and territorial EPR policies, programs and practices are two-fold:

- 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 on the EPRC website*).

To those ends, the 2012 report card, based on responses to questions about 2012 activities, is the second of five annual reports that EPRC will publish in support of advancing EPR across Canada.

2012 EPR Report Card Scoring

This report card reflects EPR activities undertaken in 2012 as reported by governments. EPR Canada sent a survey questionnaire to the federal, the 10 provincial and the three territorial governments in Canada asking them to answer the questions and return the surveys. The questionnaire allowed for each jurisdiction to describe its EPR practices, achievements and innovations, contributing to the development of this national picture of the use of EPR regulatory instruments, policies and programs across the country. Using a standardized assessment model, EPR Canada members evaluated each response and allocated scoring, using the A, B, C grading system employed by most educational institutions. (*See EPR Canada Report Card Scoring on page 17.*)

Questionnaire Response Rate

In 2012, all of the provinces submitted responses to the EPR policies and programs questionnaire; however, the responses varied in degrees of completeness. The federal government and Nunavut did not submit responses to the survey. In these cases, as noted in the 2012 questionnaire preamble, EPRC examined information available on their websites. EPRC allocated scores in each of the three assessment categories (commitment, accountability and implementation) for the federal government. Due to the waste management challenges and the infancy of EPR thinking in the north, the territorial governments are included in this report card but not scored. New Brunswick submitted a letter updating its 2011 response. EPRC reviewed the provincial website to supplement the response. EPRC acknowledges that reviewing jurisdictional websites is not an ideal methodology to score EPR progress and in all probability results in lower score allocations than jurisdictions might achieve when a fully completed response is prepared and submitted.

2012 EPR Grades

		2012 Grade*	2011 Grade
	British Columbia	B+	A-
	Alberta	D	C
	Saskatchewan	D	C-
	Manitoba	B	B-
	Ontario	C+	C+
	Quebec	B+	B-
	New Brunswick	C	C-
	Nova Scotia	C	B-
	Prince Edward Island	C+	C+
	Newfoundland and Labrador	C-	C-
	Federal Government	F	F
	Yukon	Not scored	Not scored
	Northwest Territories	Not scored	Not scored
	Nunavut	Not scored	Not scored

*EPR Canada re-weighted scores in 2012 to reflect a logical progression in the adoption of EPR policies, programs and practices. The re-weighting may have resulted in the allocation of a lower overall grade than achieved in 2011. See EPR Canada Report Card Scoring on page 17.

2012 Top Scores by Assessment Category		2012 Category Score (Points)
Commitment (out of 50 pts.)	British Columbia	40
Implementation (out of 30 pts.)	Quebec	23
Accountability (out of 20 pts.)	British Columbia	18

Note: What the EPR Report Card Does NOT Do

The EPR Report Card rates jurisdictions on their commitment to and their adoption and implementation of EPR policies, regulations and programs. It does *not* evaluate the waste diversion and environmental performance achievements of each producer responsibility and stewardship programs.

EPR Canada Report Card Scoring System for 2012-2015

The EPR Report Card evaluates jurisdictions' performance in EPR policy in three main category areas:

- Commitment** towards CCME's Phase 1 and Phase 2 product and materials lists.
- Implementation**—EPR implementation focuses on policies and practices to measure performance including:
 - activities to ensure that producers met their regulatory obligations, including free rider tracking and actions;
 - activities to monitor the performance of EPR programs, including program reviews;
 - EPR legislation review procedures and outcomes, and
 - evidence of policies and practices to support diversion through EPR programs.
- Accountability**— Target setting and verifiable public reporting on results, including:
 - collection, recycling and/or recovery targets (and target setting methodology) for each EPR program;
 - non-diversion environmental performance measurement practices;
 - dispute, enforcement and consequences if producers or producer responsibility organizations do not achieve their targets; and
 - public reporting on each EPR program's business plan, annual report and program reviews.

(For grading allocations, see EPR Canada Report Card Scoring on page 17.)

JURISDICTION SUMMARIES— *Changes in EPR 2011 - 2012*



B+

British Columbia

Phase five of BC's electronics program was launched in July 2012 to manage large appliances including ozone-depleting substances; electrical and electronic tools; medical devices; automatic dispensers; lighting equipment; toys; leisure and sports equipment; monitoring and control instruments; and IT and telecommunications equipment.

The Ministry of Environment (MOE) received, and began their review of, the Packaging and Printed Paper Stewardship Plan which was submitted in November 2012, as required by Schedule 5 of BC's Recycling Regulation. In 2012, the ministry published an updated version of the Recycling Regulation Guideline to clarify performance measures, the pollution prevention hierarchy and requirements of stewardship plans. BC also implemented the EPR Enhancement Project to work with stewardship agencies to develop a plan to make improvements to program performance, collection and operational excellence, education and awareness, and local government engagement and relationship building. As of 2012, BC has industry-led recycling programs for 68% of the product categories in the CCME EPR Action Plan.

Factors Affecting Score

Strengths

- + Holds producers accountable for delivering collection system accessibility and diversion performance
- + Producers determine the best way to meet regulatory obligations to deliver collection system accessibility and diversion performance
- + Requires third party audits of performance data
- + MOE-led initiative to work co-operatively with BC stewardship agencies, through the Stewardship Agencies of British Columbia, to address common issues
- + Numerical collection targets have been set for most steward programs

Deficiencies

- Limited MOE resources to ensure all producers are in compliance
- MOE monitoring of stewardship program performance is based on information contained in published annual reports

Alberta

Alberta's approach to date has been to use the most appropriate policy tool for each specific material, rather than commit to EPR. Alberta's initiatives revolve around stewardship programs (tires, electronics, paint, used oil materials, beverage containers) operated by Delegated Administrative Organizations (DAOs) that are arms-length from government, and are made up of a variety of stakeholder groups, including producers. Alberta also has Memorandums of Understanding for voluntary programs for plastic bags and cell phones.

Factors Affecting Score

Strengths

- + Greening Government Strategy is a positive supporting measure
- + DAO structure institutionalizes stakeholder involvement
- + DAOs have strong performance monitoring, including environmental performance beyond diversion
- + Has conducted research into the opportunities for stewardship programs to influence Design for Environment
- + 'Too Good to Waste Strategy' targets packaging and household hazardous waste (HHW)

Deficiencies

- No public commitment to EPR, or timelines to meet CCME EPR Action Plan obligations

Saskatchewan

Saskatchewan consistently restates its commitment to EPR but delivers these programs with only partial EPR approaches. EPR is implemented in a manner that sometimes includes partial government funding (e.g., for beverage containers) and often also includes specific social objectives (e.g., requiring that product management programs deliver social benefits such as providing or encouraging employment and training for persons with disabilities) while also operating in an efficient and effective manner. Along with the growing number of curbside programs (35% more households added in 2012), SARCAN (the recycling division of the Saskatchewan Association of Rehabilitation Centres) serves as the collection system for deposit beverage containers, used paint and waste electronic equipment through 71 depots across the province. In 2012, the national organization for waste electronics submitted a revised product management plan that met the regulatory requirements for Saskatchewan in order to transition governance of the provincial waste electronics program to the national organization. Also in 2012, the government continued work on the development of The Household Packaging and Paper Stewardship Program Regulations.

Factors Affecting Score

Strengths

- + Industry stewards assume full responsibility for implementing programs for used oil, scrap tires, waste paint and waste electronic equipment



D



D

- + After consultations throughout 2012, the Ministry of Environment is moving forward (with the support of Clean FARMS) to develop an industry-led program to recycle agricultural plastics such as plastics grain bags, plastic twine, silage wrap and bale wrap as a potential national program model

Deficiencies

- No commitments for the remaining Phase 1 and Phase 2 CCME materials (other than for packaging and printed paper which was regulated in early 2013)
- No mandatory review period for producer responsibility regulations (other than for tires)
- Does not require stewardship programs to deliver diversion or non-diversion performance objectives
- No program review activities implemented in 2012 other than the regular review of annual reports submitted as per the regulations



B

Manitoba

Manitoba has continued its commitment to expanding and improving its EPR activities. In 2012, it focused on transitioning existing, government-operated stewardship programs to EPR under its Waste Reduction and Prevention Act. These included the household hazardous waste and waste electrical and electronic programs. At the same time, Manitoba continued implementation and monitoring of the recently approved packaging and printed paper program with 80% producer funding and municipal operation. In an effort to improve producer program accountability and transparency, Green Manitoba worked with existing programs to develop a reporting template. The objective of the new template improves reporting consistency within and between programs, with a specific focus on environmental performance measurement. In that regard, Manitoba expanded the reporting requirements to include non-diversion related performance such as reductions in greenhouse gas emissions. Manitoba's disposal levy supports municipal waste reduction activities according to diversion performance. The province has plans to further support its existing EPR programs by introducing material disposal bans. Future direction is made transparent to all stakeholders through a long-term plan that clearly details product designation priorities and timeframes.

Factors Affecting Score

Strengths

- + Commitment to transition existing government and voluntary programs under EPR regulation
- + Continues to improve existing program performance, transparency and accountability through reporting templates
- + Transparent and focused future planning based on environmental outcomes that provide targets and timelines for stakeholders including producers
- + Initiated landfill levy to support waste reduction efforts

Deficiencies

- Reliance on existing producer programs to identify and monitor free riders
- Lack of details on performance measurement and reporting, including defined methodologies
- General lack of interim program performance review and monitoring; program results and performance are only reported through annual reports
- No reports on results or directions taken from any stakeholder consultations including discussions with producers/producer organizations
- Shared responsibility is 80% producer funding for PPP recycling program but leaves operation a municipal responsibility

Ontario

In 2012, Ontario released a new Waste Management Plan with objectives to improve program financial sustainability through full cost accounting; governance; oversight; accountability and transparency of all organizations involved, with a specific focus on the programs managed by industry funding organizations (IFOs). To that end, in February of 2012, the province introduced regulations that require the implementation of a new producer-funding model for the existing hazardous waste program based on actual rather than projected costs. The Environment Minister requested that similar funding models be implemented for the scrap tires and waste electronics programs in the future. In addition, Ontario regulated producers of pharmaceuticals and sharps under different legislation—the Environmental Protection Act (EPA)—after cancelling producer pay obligations under the Waste Diversion Act (WDA) in 2010.



C+

Factors Affecting Score

Strengths

- + Improved the consistency and transparency in reporting requirement by implementing one template for all programs which defines performance indicators, standardized reporting protocols and provides consistency between programs and reporting periods
- + Waste Diversion Ontario with the IFOs developed program performance and financial auditing processes and protocols to improve accuracy and transparency in reporting activities
- + Improved reporting protocols and processes facilitated improvements in data collection, analysis and verification

Deficiencies

- Risks and liability transferred from producers to IFOs as a result of the policy mandating that producers join and pay into IFOs, which are ultimately accountable for program performance measures and financial accountability
- Neither the framework nor regulations require or set performance targets; performance outcomes are the responsibility of the IFOs as defined and established by IFOs (and their producers) during plan development

- No consequences for non-performance; missing targets is a liability of the IFO, not the producer
- No specific material management or operational standards set out in the framework, regulations or approved programs
- Shared responsibility is 50% producer funding for PPP recycling program with operation a municipal responsibility



B+

Quebec

Quebec's EPR policies continue to be guided by its Residual Materials Management Policy and its 2011 – 2015 Action Plan under which the province has committed to the designation of two new products for EPR regulation every two years. During 2012, it assessed the CCME EPR Action Plan Phase 1 and 2 product lists for possible EPR designations and initiated a regulatory amendment to transition the current stewardship program for used tires to an EPR program for automobile, truck, over-sized and off-road tires. Also in 2012, Quebec renewed agreements with the paint program (Éco-Peinture) and the used oil, containers and filters program (SOGHU) to bring them into conformity with the current regulatory requirements regarding collection, recycling and the adjustment of program costs and funding to support green design. The first phase of the electronics program commenced on July 14, 2012. In the area of packaging and printed paper (PPP), support continued to transition towards 100% producer funding. During the year, the producer funding obligation rose to 90% with municipalities retaining responsibility for program operation.

Factors Affecting Score

Strengths

- + 2011 – 2015 Action Plan sets out clear policy and program implementation goals and objectives including new designations for EPR every two years
- + Cost internalization policy for all programs
- + Consideration of CCME EPR Action Plan Phase 2 products and possible producer operational responsibility for PPP program (currently operated by municipalities)
- + Escalating program recovery targets and penalties for missing targets
- + Landfill levies support waste reduction efforts

Deficiencies

- Shared responsibility for PPP program shifting to 100% producer funding but leaves operation a municipal responsibility

New Brunswick

For several years the paint program was New Brunswick's only EPR program but in October 2012 the province adopted its second EPR regulation for used oil, filters, containers and glycol. As with the paint program, the regulation mandates cost internalization in that producers are required to finance the program without passing the cost on to consumers as a separate line item on sales receipts. In addition, in 2012, the province consulted on and developed proposed EPR regulations for electronics and on the transition of the existing stewardship program for tires into an EPR program for both highway and off-road tires. New Brunswick made commitments to implement EPR programs in these areas in the November 2012 Speech from the Throne. The province also took the first steps in developing a possible EPR program for packaging and printed paper and continues to work with the other Maritime jurisdictions and producer stakeholders on program harmonization.

Factors Affecting Score

Strengths

- + Mandating cost internalization
- + Recognizing the advantages of harmonized and regional approaches

Deficiencies

- Slow regulatory adoption on a product-by-product basis and slow program implementation
- Little attention paid to date on program accountability
- Performance measures, targets and reporting requirements need to be clearer and stronger

N.B. –New Brunswick did not complete the EPR Canada questionnaire per se but submitted a letter providing updates on their responses in the 2011 questionnaire. Assessment of their progress was augmented by an examination of the information contained on the Environment and Local Government website.

Nova Scotia

In 2012, Nova Scotia stated in a policy document that it remains committed to EPR and to the CCME EPR Action Plan on designated materials. The province is currently reviewing its EPR regulations and is committed to ensuring that its regulatory framework supports product stewardship. It uses the product categories defined in the EPR Action Plan as the basis for developing new stewardship regulations and currently has EPR programs in place for paint, electronic products and dairy containers. Nova Scotia has a mandatory requirement for source separation of materials for recyclables and compost and uses province-wide landfill bans to prohibit disposal of many materials. The province has set a disposal target of no more than 300 kilograms of waste going to disposal by 2015 but no metric is provided to monitor progress toward this goal.

Factors Affecting Score

Strengths

- + Requires brand owners to provide information to the minister with respect to improving environmental design of their products such as electronics
- + Uses landfill bans to support waste reduction goals



C



C

Deficiencies

- No targets are provided for recovery of electronic products
- No information available publicly on outcomes of producers' stewardship efforts
- No apparent dispute or enforcement activities implemented
- No indication of a metric for measurement of public awareness



C+

Prince Edward Island

Prince Edward Island has coordinated multi-stakeholder programs in place for 22 materials. In 2012, in conjunction with Product Care and the Island Waste Management Corporation, the province converted its management program for paint to an EPR-based program. Also in 2012, the PEI Minister responsible for EPR programs made a very strong commitment in an Earth Day Speech to the provincial legislature to develop additional EPR programs during the year. The provincial cabinet also has authorized the minister to pursue “shared responsibility with industry and consumers” in the implementation of EPR programming. The province has EPR programs in place for electronic waste, used paint and cell phones and is currently considering implementation of EPR programs for lead-acid batteries, dry batteries, waste oil, fluorescent bulbs and automobiles. It receives annual reports including audited financial statements from the producers for existing programs and the reports are evaluated and reviewed by provincial environmental officials to monitor progress toward EPR goals. PEI has a mandatory source separation program in place for all waste generators for recyclables, compost and remaining waste.

Factors Affecting Score

Strengths

- + Requires submission of annual reports on stewardship programs and has an annual meeting with stewardship organizations operating in the province
- + Are consulting on the implementation of three additional EPR programs
- + Provides a list of materials to be transitioned to EPR programs along with proposed dates for implementation

Deficiencies

- Appears to rely completely on stewardship organizations to deal with free riders
- Process for enforcement of EPR requirements is not apparent and it is not clear if enforcement activities are conducted



C-

Newfoundland and Labrador

During 2012, Newfoundland and Labrador implemented its first full EPR program for paint and has received the first annual report from paint brand owners. The province also has announced a new EPR-based Waste Management Regulation for industry-led management of electronic

products. This program launched on August 1, 2013. The revised regulations require industry to submit a stewardship plan that will be reviewed and approved by provincial authorities for compliance with the agreed-upon timelines, requirements and targets established in the plan.

Factors Affecting Score

Strengths

- + Included design for environment criteria in new EPR regulations
- + Put framework in place to introduce programs for additional CCME EPR Action Plan materials
- + Provides measures for accessibility and public awareness of their programs
- + Requires program plans to be renewed within a five-year time frame

Deficiencies

- No compliance dates established for meeting EPR goals and no accountability for producers to meet performance their EPR targets
- Does not address issue of free riders
- Dispute or enforcement activities are not indicated and the role of the provincial Department of Environment in the EPR programs is not clear

The Government of Canada

In February 2012, Environment Canada (EC) hosted a workshop on EPR policy and direction for CCME members with a focus on the CCME EPR Action Plan and next steps towards its implementation. In February 2011, EC proposed regulations on mercury which would broadly prohibit mercury-containing products, regardless of the industry or sector of origin and EPR was cited as a possible regulatory approach. The draft regulations were to be published in 2012; however, while EC has posted the comments received and corresponding departmental responses, no further action appears to have occurred. EC has authority to use EPR under the Canadian Environmental Protection Act (CEPA 1999) for toxic substances and products containing toxic substances. With no updates on national commitments posted, and no response to the 2012 EPR Canada survey, very little has changed within the federal jurisdiction on EPR strategies between 2011 and 2012.

Factors Affecting Score

Strengths

- + Hosted CCME workshop focusing on EPR and the CCME Action Plan Phase 1 and 2 materials

Deficiencies

- Tenuous commitment to EPR development at the federal level for toxic materials or products that contain toxics, despite legislative authority
- Work towards the creation of EPR regulations appears to be stalled



F

Canada's Territories

The CCME's Canada-wide Action Plan (CAP) for Extended Producer Responsibility recognizes the "unique local and regional circumstances" that exist in Nunavut, the Northwest Territories and the Yukon, including the potential cost barriers to funding northern EPR programs. Because of the low population density associated with this region, successful application of EPR will be greatly facilitated by the adoption of harmonized EPR frameworks from neighbouring provinces. The action plan also suggests that "EPR may not be an appropriate instrument for all products or product categories in the North."

As a result of the unique challenges faced by the territories, EPR Canada has chosen not to score these jurisdictions for this year's Report Card but rather to provide an overall commentary for this region. As EPR advances throughout the country, it is anticipated that the territories will progress to the stage where scoring may be appropriate.

Meanwhile, the territories have moved forward with a number of initiatives and programs related to EPR, as outlined below.



Yukon

Through continued stakeholder consultations and product assessments during 2012, the Yukon Government investigated the feasibility of implementing EPR in future years. The Yukon launched a territory-wide education campaign about recycling and composting as part of a territorial waste diversion strategy. In tandem with the Association of Yukon Communities, it established a working group to evaluate and identify challenges with municipal solid waste operations that included a review of EPR. The Yukon also committed to a review of its existing Beverage Container and Tire Recycling stewardship programs to be carried out in 2013 in accordance with its Solid Waste Action Plan. In addition, the government is considering establishing an electronics recycling program, which would significantly expand the number of products for which recycling programs are in place in the territory.



Northwest Territories

The Northwest Territories operates the Single-use Retail Bag and Beverage Container (BCP) stewardship recycling programs. The Department of Environment and Natural Resources (ENR) is currently undertaking a review of the BCP, to be completed in 2013. This review will explore whether the program could and/or should be run as an EPR program. Future product designations for stewardship or EPR are being considered, including the ENR's commitment to preparing draft regulations for electronic waste by summer 2013 for program implementation in 2015. The ENR is also working towards developing a Waste Management Strategy with work scheduled to begin in the summer of 2013. It will address the use of EPR regulations and the prioritization of CCME EPR Phase I and 2 materials, as well as establish a framework for addressing product categories for future waste diversion programs.

Nunavut



While waste management practices in Nunavut continue to be challenging, the government along with other community and territorial stakeholders have moved forward with the promotion of better waste management practices and strategies. The Department of the Environment (DOE) has posted a number of environmental guidelines dealing with solid waste or household hazardous waste materials, including used oil and waste fuel (new in 2012); waste lead and lead paint (revised in 2011); and mercury-containing products and waste mercury (developed 2010), to assist residents in complying with environmental protection legislation and regulations. Nunavut, along with other territorial stakeholders, has completed the development and delivery of a hazardous waste management training program. The overall objective of the program is to provide a way for each community in the territory to put into operation a hazardous waste diversion program, and to manage and dispose of their hazardous waste in accordance with territorial and national standards. EPR approaches are not currently under review or being considered.

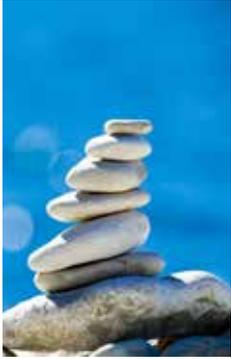
Nunavut did not respond to the EPR Canada survey.

EPR Programs Implemented in 2012

The following table shows EPR programs implemented in 2012 as well as stewardship programs transitioning to EPR*.

Jurisdiction	EPR Programs Implemented	Transitioning/Transitioned from Stewardship to EPR
British Columbia	Phase 5 Electronics, Appliances (including ozone depleting substances)	
Manitoba		Household Hazardous Waste, Waste Electrical & Electronics
Quebec	Phase 1 Waste Electrical & Electronics	Used tires
New Brunswick	Used Oil, Filters, Containers & Glycol	Used tires, Waste Electrical & Electronics
Prince Edward Island		Paint
Newfoundland and Labrador	Paint, Waste Electrical & Electronics	

** The content of this table is based on the responses submitted to EPR Canada in the 2012 questionnaire and on web research.*



Notable EPR Policy and Program Developments Expected in 2013

A number of jurisdictions have EPR related initiatives that they are actively pursuing in 2013 and that are worth noting in this report card. EPR Canada will be watching for them in the 2013 report.

Newfoundland and Labrador

A new e-waste program to capture designated materials using an EPR approach launched on August 1, 2013. The province amended its Waste Management Regulations to provide a legal framework for this new program. In addition, the province has begun discussions on EPR-based regulations for the management of used oil, glycol and their respective containers.

Prince Edward Island

PEI is planning to transition a number of products to EPR in 2014 including lamps and bulb; used oil, filters and containers; lead-acid batteries; and cell phones.

Nova Scotia

Nova Scotia is currently reviewing its EPR regulations and there may be information released in 2013 about a proposed stewardship framework that would be based upon criteria contained in the CCME Canada Wide Action Plan for EPR.

New Brunswick

In New Brunswick, 2013 will see the roll out of the used oil and tire programs and the conclusion of the deliberations on the proposed electronics program. The draft regulation for the electronics EPR program includes a cost internalization requirement similar to that adopted by Quebec. It is also expected that New Brunswick will initiate a detailed review of approaches to packaging and printed paper, possibly in partnership with other jurisdictions, and sign a memorandum of understanding with the Canadian Battery Association to support a voluntary program for the management of lead-acid batteries.

Quebec

The province is assessing products that are on the CCME EPR Phase 2 list, e.g., mattresses, furniture and textiles, for EPR designation with results expected to be announced in 2013. An analysis of the possible transfer of municipal operation of the packaging and printed paper program to producers will be completed by the end of 2013. Quebec launched Phase 2 of the electronics program and transitioned the tire stewardship program to EPR in July 2013. In support of green product design, starting in 2016, producers will be required to determine actual costs for each product category managed under an EPR program and to adjust costs based on environmental characteristics and end-of-life management.

Ontario

The Environment Minister has introduced draft legislation—the Waste Reduction Act (WRA)—to replace the Waste Diversion Act. The objective of the proposed legislation is to focus on outcomes over process by removing the required establishment of industry funding organizations and directing the obligation to individual producers. The WRA also proposes to introduce new enforcement measures and penalties for non-compliance and non-performance; to internalized producer costs; to expand the scope to include materials in the industrial, commercial and institutional sector; and to lift the 50% producer funding cap for Ontario's printed paper and packaging program.

Manitoba

Following the release of its eight-year strategy, Manitoba has outlined three specific commitments including improving the province's overall diversion rate with a special focus on organics, construction and demolition materials. To that end, it has already tabled amendments to its Waste Reduction and Prevention Act (WRAP) legislation that support those initiatives. The province has also made commitments to review the reporting requirements and timelines for all existing regulations.

Saskatchewan

Through its *Household Packaging and Paper Stewardship Program Regulations* approved in February 2013, Saskatchewan obligated industry to develop a program to fund of up to 75% of effective and efficient municipal packaging and printed paper programs. The organization representing obligated industry stewards, Multi-Material Stewardship Western, submitted its Waste Packaging and Printed Paper Stewardship Plan to the Environment Minister in early August, 2013.

Alberta

The province is proposing a new Designated Material Recycling Regulation that would consolidate the eight existing stewardship regulations, while also enabling EPR. In addition, the regulation is proposed to expand electronics to include CCME EPR Phase 2 materials; and to expand used oil to include a wider group of automotive products. In addition, the new regulation would be less restrictive by not including specified fees. The first two materials slated for EPR designation are packaging and household hazardous waste.

British Columbia

In April 2013, the BC Government approved the Packaging and Printed Paper Stewardship Plan submitted on behalf of BC producers by Multi-Material British Columbia (MMBC). The plan sets out how MMBC will implement an EPR program to take responsibility, physically and financially, for the collection and recycling of waste packaging and printed paper collected from residents. The plan implementation date is May 2014.





Overview of Trends and Emerging Issues

More Focus on Oversight

The growing number of EPR programs and their widening scope is starting to put more focus on the oversight functions of governments. In a number of jurisdictions, the capacity of government departments and agencies is being stretched through budgetary restraint and the allocation of resources elsewhere. Accountability, performance measurement, compliance monitoring and enforcement could be compromised if government responsibility in this area is not adequately resourced.

Cost internalization/Eco-fees

Two provinces have regulated cost internalization approaches to funding programs and one other has signalled its intention to follow suit. A number of programs have successfully operated with cost internalization funding but at the same time others continue to operate, with and without public controversy, with visible point-of-purchase “eco-fees”. The inclusion of product end-of-life costs into product prices in a fashion similar to other costs such as manufacturing, distribution and marketing, and as a way of driving design for the environment is an area of growing debate and one that is likely to become more heated.

Reporting

Standards for reporting on program performance are starting to appear but are far from being universally applied across the country or within jurisdictions. This can make it difficult to compare programs, ensure environmental performance and identify best practices. One of the areas of variability is in the setting and measurement of collection and recycling targets, which are generally inconsistent and often missing in a number of programs.

Harmonization

While there is a stated recognition by jurisdictions of the benefits of harmonization the reality continues to be that, to a significant degree, jurisdictions still develop and implement EPR programs in their own unique ways. Producers who stand to gain the most from harmonized programs have a considerable capacity in this regard which they are starting to exercise. The formation of organizations such as Electronic Products Recycling Association, National Used Oil Management Association and the Canadian Stewardship Services Alliance for packaging and printed paper as well as the regionalization of some programs is a sign of the transitioning that is taking place at the producer level towards increasingly national and regional management.

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.

(For an explanation of the differences between EPR and product stewardship, please visit the [EPRC website](#).)

Allocating Grade Scores

EPR Canada distributed a questionnaire (in both official languages) to the responsible Minister of the Environment in each province, territory and the federal government in February 2012. The questionnaire posed weighted questions on EPR policies and programs addressing achievements against EPR policy commitments; program implementation; and accountability.

Teams of reviewers from among EPR Canada members scored each submission independently and prepared a consensus score. The full team then reviewed and reached consensus on each jurisdiction's results. Review teams discussed the results of their reviews with each jurisdiction to ensure that there was an understanding of the score given in specific areas of the survey. Only summary grade scores have been made public.

Report Card Scoring

In the 2012 reporting period, EPR Canada adjusted the weighting for scores in each category to accomplish two objectives:

1. to weight more heavily towards EPR commitment (and to some degree implementation) in the early years and to reflect a logical progression in the adoption of EPR policies; and
2. to shift the weighting progressively in the latter years towards accountability activities, with less emphasis on commitment and implementation (i.e., as EPR policies mature).

Range of Score Allocations

Grade	%	Description
A+	90-100	Excellent
A	85-89	
A-	80-84	
B+	76-79	Good
B	72-75	
B-	68-71	
C+	64-67	Satisfactory
C	60-63	
C-	55-59	
D	50-54	Marginal
F	0-49	Inadequate

The table below presents the weighting adjustments EPR Canada is using for 2012 to 2015 surveys.

2012 - 2015 Proposed* EPR Score Card Weighting

	Commitment	Implementation	Accountability
2011	44.5%	10.5%	45%
2012	50%	30%	20%
Proposed			
2013	40%	30%	30%
2014	30%	20%	50%
2015	20%	20%	60%

¹ Organisation for Economic Co-operation and Development, www.oecd.org

*EPR Canada may alter this scoring in subsequent years



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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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