

# **Intentions Paper**

## ***Adding a Schedule for Electronic Equipment to the Recycling Regulation***

**October 2005**



**Ministry of Environment  
Environmental Protection Division**

## Purpose

The Ministry of Environment intends to regulate electronic equipment under the provincial [Recycling Regulation](#), which establishes a legal framework for extended producer responsibility (EPR) programs in British Columbia. Discarded electronic equipment, such as televisions, computers, computer monitors, printers and scanners, is a growing environmental and financial burden to the public, as this type of waste is currently primarily managed in municipal solid waste disposal systems.

The purpose of this Intentions Paper is to provide information on the ministry's intentions regarding adding a schedule for electronic equipment, as a new product category, to the Recycling Regulation. The document provides background information on the policy and regulatory setting and describes the general structure and intent of the proposed schedule. On reviewing this document, readers are invited to submit comments regarding the initiative. The submission deadline is November 15<sup>th</sup>, 2005. Contact information is provided at the end of the document.

## Scope and Limitations

Readers are advised of the following limitations regarding the scope of this initiative and the content of the Intentions Paper:

- (1) The addition of a schedule to the Recycling Regulation for electronic equipment provides the regulatory basis for the development of an EPR program for this product category. However, the schedule will not set out the elements of the program, such as how it will operate or how it may be funded. This is the responsibility of the producers of regulated types of electronic equipment, in accordance with Section 2 of the regulation. Notably, under the regulation producers are responsible for developing a product stewardship plan for approval by the ministry. During development of the stewardship plan producers, or their agency, must conduct satisfactory public consultation. Accordingly, readers interested in commenting on program design should direct their comments to the producers or their agency during the consultation period for development of the stewardship plan.
- (2) With regard to the content of the Intentions Paper, it should be noted that this document includes information on the general structure and intent of the schedule, but does not provide the precise legal wording of the provisions of the schedule.

# Policy and Regulatory Setting

## What is Extended Producer Responsibility?

The concept of Extended Producer Responsibility (EPR), or “industry product stewardship”, is that those who produce, use or sell a product are responsible for the impacts of the product throughout the stages of its life cycle, including the end-of-life, waste management stage. EPR is based on the principle of user pay, whereby responsibility for managing materials and products in the waste stream is borne by producers and consumers rather than the general taxpayer. By placing the onus on producers and consumers to manage the products they produce and use, the provincial government has moved away from government-managed and taxpayer-financed waste management programs.

## EPR in BC

The provincial government introduced the first generation of EPR programs in B.C. with the establishment of the Financial Incentives for the Recycling of Scrap Tires Program and Lead-Acid Battery Collection Program in 1991. These programs are government operated, and consumer funded through government levies assessed on the sale of new tires (\$3/tire) and batteries (\$5/battery). Since the establishment of the tire and battery programs, the ministry has moved toward a full producer responsibility framework for EPR. The most recent initiative is the development of a single, performance-based regulation (the Recycling Regulation) for the management of beverage containers; used oil, oil filters and oil containers; paint; pharmaceuticals, and residuals (flammable liquids, solvents, pesticides and gasoline).

## Regulatory Framework

The *Environmental Management Act* (EMA) is the governing statute for product stewardship in B.C. Sections 21, 22, 138 and 139 of the Act provide the Lieutenant Governor in Council with the authority to make regulations requiring the producers and consumers of certain products to take responsibility for the management of these products at various stages of the product’s life cycle.

The Recycling Regulation was enacted on October 7, 2004 under the authority of the EMA. The existing Beverage Container Product Stewardship Program Regulation and Post-Consumer Residual Stewardship Program Regulation were repealed and their key provisions incorporated into schedules of the Recycling Regulation. The new regulation provides a framework for EPR, including core requirements applying to all programs and schedules for each product category covered by the regulation. Through the addition of schedules, the regulation may be expanded to include new product categories.

## Key Elements of the Recycling Regulation

This section presents a summary of key elements of the Recycling Regulation. These are just some of the core provisions that will be of relevance to producers and stakeholders when a schedule for electronic

equipment is added to the regulation. Readers are advised to refer to the Recycling Regulation for the actual wording and interpretation of the provisions.

### **Who is the ‘Producer?’**

The ‘producer’ is the person who is (1) the manufacturer of the product and sells it under the manufacturer’s own brand, or (2) if the manufacturer is not located in the province it is the brandowner, or (3) the first importer of the product into British Columbia for distribution or resale. The definition, under Section 1 of the RR, extends to the first importer of the product, who may brand, distribute or sell the product in B.C.

### **Duty of the Producer**

The producer is required to have an approved product stewardship plan in place or comply with the requirements of Part 3 of the regulation by the date specified in the product schedule, in order to sell or distribute the product in B.C. A producer may appoint an agency to undertake its duties. An agency may represent more than one producer, providing an administrative structure for managing the mutual obligations of a group of producers.

### **Product Stewardship Plans**

Producers must develop and submit a product stewardship plan to the ministry for approval. The product stewardship plan defines the elements of the producers’ program for managing the products or product categories listed in the relevant schedule of the regulation. Elements of a plan may include, for example, program objectives and targets, governance and accountability structures, and operational systems for product collection and processing. Section 5 of Part 2 sets out the plan approval conditions and requirements, which include, among other things, program performance requirements, satisfactory consultation during plan development, provisions for consumer access and awareness, and reduction of environmental impacts throughout the product’s life cycle.

### **Satisfactory Consultation on Product Stewardship Plans**

The approval of a product stewardship plan is dependent on, among other things, the ministry’s satisfaction that the producers, or their agency, have undertaken satisfactory consultation with stakeholders during development of the plan.

### **Funding an EPR Program**

The regulation does not specify how producers fund their programs, as long as the principle of no costs borne by local government and general taxpayers is respected. This is one of the key factors on which the ministry must be satisfied before approving a plan. A producer that chooses to use a fee that is charged at the retail level and is shown on the consumer’s receipt, must submit an independently audited financial statement showing revenues and expenditures based on the fee.

### **Annual Reports**

Producers, or their agency, are required to submit an annual report on the performance of the program to the ministry by July 1st of each year. Section 8 of the regulation identifies the requirements for the annual report. Annual reports are posted on the ministry’s web site.

## **Proposed Schedule for Electronic Equipment**

The ministry intends to expand the Recycling Regulation by adding a schedule for electronic equipment. This section of the Intentions Paper provides information on the general structure and intent of the schedule, notably the range of products to be included in the schedule, and the timing for implementation of an approved product stewardship plan. As noted previously, the addition of a schedule for electronic equipment provides the regulatory basis for the development of an EPR program for this product category. However, the schedule will not set out the elements of the program, such as how it will operate or how it may be funded. This is the responsibility of the producers of regulated types of electronic equipment, in accordance with Section 2 of the regulation.

### **Types of Electronic Equipment to Be Included in the Schedule**

It is the ministry's intention to regulate producers of electronics products such as:

- computers;
- computer monitors;
- computer accessories (mouse, keyboard, cables, and other components in the computer)
- desktop printers;
- televisions.

The ministry intends to eventually widen the scope of electronics products covered after full consultation with the applicable producers.

### **Timing**

The ministry intends to add the schedule for electronic equipment to the Recycling Regulation in the fall of 2005. Similar to Section 17(2) of the Recycling Regulation, the schedule will specify a date for the submission of a product stewardship plan to the director for approval. While this date has not been established yet, it is expected that the stewardship plan will be approved and the program fully operational by mid 2007.

## Submissions

The ministry has contracted Karen Asp of Gartner Lee Limited to manage the consultation process. Please review this Intentions Paper and email your comments to Karen Asp by November 15<sup>th</sup>, 2005.

Ms. Asp's contact information is:

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Please note that all comments received by the Ministry during this consultation are subject to *Freedom of Information and Protection of Privacy Act*.