BRITISH COLUMBIA

Questions & Answers

For

Producers of Lamp and Lighting Equipment in British Columbia

What is Extended Producer Responsibility in British Columbia?

In British Columbia, Extended Producer Responsibility (EPR), is defined as "a management system based on industry and consumers taking life-cycle responsibility for the products they produce and use". By regulating industry stewardship responsibility, the provincial government has moved away from government-managed and taxpayer-financed waste management programs.

Who is the product producer?

The producer of lamp and lighting equipment is principally the first-seller of the product in B.C. In practice, the producer is typically the product manufacturer, distributor or brand-owner. The producer could also be an importer, broker or retailer who sells the product directly to a consumer, including those whose sales are transacted by catalogue or over the internet. The definition of producer is provided in Section 1 of the Recycling Regulation (the Regulation).

What are a producer's basic obligations?

A producer must either have an approved Product Stewardship Plan and comply with the plan or comply with <u>Section 9 (Part 3)</u> in order to sell or distribute the product in British Columbia. <u>Section 2(2)</u> of the Regulation provides producers the option of appointing an agency to carry out its duties under a product stewardship plan. If a producer chooses to appoint an agency, the producer must notify the agency in writing before the agency begins to carry out the duties of the producer.

What is an agency, who appoints it and what does it do?

An agency is appointed by a producer to act on its behalf to undertake duties that include, but are not limited to, preparing a plan, implementing a program and reporting on progress. Existing producers have found that creating a new agency or joining an existing stewardship agency can be a cost-effective and efficient way to meet their obligations under the <u>Regulation</u>.

Who decides the design of the agency?

The governance structure, operational systems, and fee structures of an agency are determined by the producers as members of the agency. Such an organization should be a not-for-profit entity established under the B.C. *Society Act* or federal legislation.

When were lamp and lighting fixtures regulated in BC?

In December 2008, the BC Government amended the Recycling Regulation (the <u>Regulation</u>) to phase-in additional electronic and electrical products and their accessories (such as lamp and lighting equipment). The Regulation makes lamp and lighting equipment producers (manufacturers, distributors, and/or importers) responsible for the life-cycle management of their products.

Producers were required to submit a stewardship plan to the Ministry of Environment (the Ministry) by October 1, 2011, with program implementation launching by July 1, 2012.

When does a Producer submit / implement the plan?

Effective July 1, 2012, a producer selling lamps or lighting equipment to the BC market place must have an approved plan, join an agency with an approved plan, or comply with Part 3 of the Regulation prior to selling the product in B.C.

What happens if the Producer's plan is not submitted by the required date?

For the lamp and lighting equipment category, if a producer has not submitted a plan or joined an existing plan by July 1, 2012, the producer is immediately subject to and must comply with section 9 (Part 3) of the Regulation and must notify the Director in writing of their intent.

How does a Producer prepare a Product Stewardship Plan?

Basic plan considerations are described in the BC Recycling Regulation Guide found at www.env.gov.bc.ca/epd/recycling/quide/pdf/recycling_regulation_quide_2012.pdf

Producers should ensure that the plan addresses all elements outlined in section 5 of the Regulation. Producers are encouraged to post their stewardship plans on the internet as a transparency provision. A producer must comply with other relevant laws and regulations, such as the provincial Hazardous Waste Regulation and the federal *Transportation of Dangerous Goods Act*.

What must be included in a stewardship plan?

Product stewardship plan requirements are specified in <u>section 5</u> of the Regulation. In reviewing product stewardship plans the Ministry will consider the requirements under section 5(2) of the Regulation and the following industry Product Stewardship Business Plan principles:

- 1. Producer / User Responsibility
- 2. Level Playing Field
- 3. Results-based
- 4. Transparency and Accountability

How is a stewardship program monitored?

Section 8 of the Regulation requires producers to submit an annual report to the Director by July 1st each year and to post a copy of the report on the program website. Section 8(2) of the Regulation provides the minimum requirements for an annual report. Importantly, the report should document the performance in adherence to the stewardship plan and provide third party assurance of key non-financial information. The annual report should specify what the producers will do to reduce or eliminate any gap between actual and projected performance. Section 8(3.1) allows an agency to provide one report on behalf of its member producers.

What should be considered when preparing an Annual report?

The annual report must be specific to BC and include the following:

- Product sold and recovery rate and/or collection amount
- Collection Facilities
- Management according to the pollution prevention hierarchy
- Reducing Environmental Impacts
- Educational Materials and Strategies
- Audited Financial Statements
 - Revenues and expenditures for any fees associated with the approved plan that are charged separately and identified on the consumer receipt of sale
- Third Party non-financial assurance of:
 - Collection facilities
 - Recovery rate or collection amount
 - End fate of the product according to the pollution prevention hierarchy

What is the role of the provincial government?

The Ministry of Environment's role consists of approving stewardship plans and reviewing annual reports, providing assistance to producers in understanding the requirements of the <u>Regulation</u> through documents such as this one, and compliance and enforcement actions where necessary.

What is the role of local governments?

Local governments may choose to participate in or assist a product stewardship program by:

- providing facilities or operational services as a *service provider* at a landfill or other local site for product collection or processing,
- helping to inform the public that the stewardship program is available,
- assisting the producer or agency with local land use and business licence issues relating to collection and processing facilities, and
- imposing bans on the land-filling of the relevant products when appropriate.

What is the role of product retailers?

A retailer may be a producer, as defined in the Regulation, and have a duty to comply with <u>Section 2(1)</u>. Retailers of certain products may also have an implementation role defined in the <u>Regulation</u> or in an approved stewardship plan.

If there is no approved product stewardship plan, a retailer has a requirement in <u>Section 10</u> of the Regulation to provide consumer information. Even if not identified in the Regulation, retailers could participate in a stewardship program. Producers are encouraged to ensure that retailers are correctly informed about the program and can inform consumers of:

- the existence of the stewardship program,
- the location of the nearest collection point for the product, and
- any fee collected for the product to manage it at its end-of-life, and that producer fees are not government taxes.

How is a stewardship program funded?

Stewardship program funding is the responsibility of the producer. The Ministry's principle is that product management costs are borne by producers and consumers, not local governments or the general taxpayer.

A producer that chooses to use a fee charged at the retail level, and shown on the consumer's receipt, must submit an independently audited financial statement showing revenues and expenditures based on the fee as part of the annual report and in accordance with <u>section 8(2)(f)</u> of the Regulation.

Are there any approved stewardship plans for the lamp and lighting product category?

As of January 2, 2013, there is only one approved stewardship plan for lamp and lighting equipment: LightRecycle, operated by the Product Care Association. The approved BC Lamps and Lighting Equipment plan can be seen here: www.env.gov.bc.ca/epd/recycling/electronics/plan.htm.

The LightRecycle Website is www.lightrecycle.ca and includes questions and answers for members and sellers at www.lightrecycle.ca/members/faqs. You may wish to contact Mary Hanlon, Lamps and Fixtures Coordinator for more information at mary@productcare.org or (604) 592-2972 ext. 204.

What products are covered by the Product Care Plan?

The LightRecycle program products include:

- Lamps (i.e. "lights" or "bulbs") for all technologies including fluorescent tubes, CFLs, LED, HID, halogen, incandescent, etc.
- Ballasts, including those containing PCBs
- Fixtures, ranging from flashlights to table lamps, chandeliers, troffers and street lights
- Supply/sales to all users including residential, institutional, commercial and industrial sectors

What if I don't want to join Product Care?

If a producer does not have an approved plan or has not joined an agency with an existing stewardship plan for lamp and lighting equipment sold into the BC market, the producer is immediately subject to and must comply with section 9 (Part 3) of the Regulation and must notify the Director of the producer's intention to meet the requirements of this part.

What if I plan to join a stewardship agency other than Product Care?

At this time, no other stewardship agency has come forward with a proposed stewardship plan for lamp and lighting equipment in BC. Any new lamp and lighting equipment plan would need to undergo stakeholder consultation prior to submission of the plan to the Ministry for approval. The plan must be complete, include a thematic summary of stakeholder comments and the measures taken to address significant concerns and must be feasible to implement successfully across BC. Please refer to Part 2 of the Regulation and Part B of the Recycling Regulation Guide for the minimum requirements of a stewardship plan, both found on the Ministry website at www.recycling.gov.bc.ca.

Until a plan approval is in place, a producer must either join an agency with an approved plan or comply with Section 9 (Part 3) of the Regulation and notify the Director in writing of their intent.

Without prejudice, you are advised that persons contravening the Recycling Regulation commit an offence and are liable for enforcement action which can include fines of up to \$200,000 upon conviction.