

Tire Recycling Program

Regulatory Framework

(for consultation purposes only)

Environment and Climate Change

January 24, 2023

Introduction

for consultation purposes only

- Environment and Climate Change is proposing to convert the tire recycling program to using the Extended Producer Responsibility model.
- The following slides outline the key aspects being considered by Environment and Climate Change as part of the regulatory framework and is for consultation purposes only.
- The wording is only meant to communicate intent and could change during the formal government approval process. No final decisions have been made at this time.

Background Information

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- Extended Producer Responsibility is an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of its life cycle i.e., extending the responsibility of the producer to include the management and the funding of the recycling programs for the products they put in the marketplace.
- Recycle NB is an arms length organization established by the *Designated Materials Regulation* to provide compliance oversight of the designated material recycling programs using the extended producer responsibility model.
- Recycle NB's cost are fully funded by charging administrative fees to each designated materials recycling program with no cross subsidization between programs.
- Recycle NB's board is appointed by the Minister of Environment and Climate Change and is made up of residents of New Brunswick.
- Recycle NB is responsible for the following oversight duties, but not limited to:
 - Brand Owner registration;
 - Approval of Recycling Plans; and
 - Compliance with approved Recycling Plans and the Designated Materials Regulation.

Background Information (Cont'd)

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How the program will work:

- Brand Owners (Producers) will designate an Agent, also known as a Producer Responsibility Organization, to fulfill their regulatory requirements.
- Brand Owners, in cooperation with their Producer Responsible Organisation, will determine how the recycling program will meet the requirements set out in the Regulation. Note: The Producer Responsible Organisation will consider existing collection and processing systems, where applicable.
- Brand Owners will register with Recycle NB. The Producer Responsible Organisation can register the Brand Owners on their behalf.
- The Producer Responsible Organisation will develop and submit a Recycling Plan for approval by Recycle NB.
- Once approved, the Producer Responsible Organization will operate the recycling program in accordance with the approved Recycling Plan.
- Recycle NB will oversee compliance of the program.

Recycling Program Goals

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- Provide access to a convenient, efficient and consistent province-wide recycling program that is designed to collect tires to ensure the safe and environmentally responsible end-of-life management of these products for all NB residents.
- Increase the amount of tires diverted from landfill.
- Include more tires in the recycling program (i.e., off the road tires).

Definition of Tire

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“tire” means a pneumatic tire, other than a tire that is used or intended to be used on a machine or device that is propelled solely by human or animal power.

Definition of Brand Owner

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“**Brand owner**” means, with respect to a tire sold, offered for sale or otherwise distributed in or into the Province, a person who:

- a) is a manufacturer of a tire,
- b) is a distributor of a tire,
- c) is an owner or licensee of a registered or unregistered trademark under which tires are sold, offered for sale or distributed, or
- d) if tires are imported into the Province, is the first person to sell tires.

Common Recycling Plan Requirements

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- Recycling plans submitted must be a plan that manages tire waste from all brand owners in the province, even if the Producer Responsible Organization or Brand Owner that is submitting the plan for select Brand Owners or a Brand Owner.
- Recycling plans must provide details on:
 - the collection, transportation, storage and processing of tire waste in the Province;
 - the expected amount of tires, by tire type, to be distributed in the Province and the expected amount of tire waste to be collected or recovered;
 - the return facilities to be used by the consumer;
 - the manner in which the recycling program takes into consideration the existing collection and processing systems;
 - the provision of services to remote or rural areas;
 - a description of the tire types that will be used for performance measures and targets and annual reporting purposes;
 - the geographical areas that will be used for annual reporting purposes;

Common Recycling Plan Requirements (cont'd)

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- the processing of tire waste, by tire type, in the following order of preference:
 - reuse;
 - recycle;
 - recovery of energy; and
 - disposal in compliance with the Act;
- the research and development activities in NB related to the tire waste;
- a communications plan including the types of consumer information, educational materials and strategies adopted for informing consumers of the tire recycling plan;
- the location of any storage and processing facilities for tire waste;
- how tire waste will be managed in a manner that employs environmental, human health and safety standards that meet or exceed applicable laws;
- greenhouse gas (GHG) emissions impacts resulting from the operation of the tire recycling plan and opportunities for reducing GHGs;

Common Recycling Plan Requirements (cont'd)

for consultation purposes only

- a dispute resolution procedure for disputes that arise with a service provider;
- the efforts being made to redesign tires, by tire type, to reduce and to improve reusability and recyclability; and
- the elimination or reduction of the environmental impacts of tire waste.

Common Annual Report Requirements

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- By April 30 of each year, an annual report from the previous calendar year shall be provided to the Board of Recycle New Brunswick, detailing the following:
 - the total amount of tires, by tire type, distributed into the Province;
 - the total amount of tire waste, by tire type, collected in the Province, by geographical area and return facility;
 - the total amount of tire waste, by tire type, in storage, reused, recycled, recovered for energy, otherwise treated or disposed and a description of the types of processes utilized;
 - a description of collection methods used and the location of return facilities;
 - the location of any storage and processing facilities for the tire waste;
 - the types of consumer information, educational materials and strategies adopted for informing consumers of the tire recycling plan;

Common Annual Report Requirements (cont'd)

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- a description of efforts to redesign tires to improve reusability and recyclability;
- the annual financial statements, as prepared by an independent auditor, of the revenues received and the expenditures incurred by operating the tire recycling plan;
- an assessment of the performance of the tire recycling program that is prepared by an independent auditor; and
- any other information requested by the Board that relates to the tire recycling plan.

Performance Measures and Targets

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- Within the initial Tire recycling plan and in each subsequent plan, one or more performance measures and targets to assess the goals and objectives of the recycling plan shall be submitted to Recycle NB for approval.
- Once performance measures and targets are established, the extent to which performance measures and targets are being achieved shall be included in the Annual Report.

Note: Tires included in current Tire Stewardship Program have ample baseline data to support proposed measures and targets in the initial plan. For added tires in the Program (i.e., off the road tires) the PRO can propose measures and targets for added tires within 2 years of the implementation of the Plan.

Fees to Cover Program Costs

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- Fees charged to consumers to cover the costs associated with operating the plan must be integrated into the total advertised sales price of the product such as, on a receipt of sale, shelf talkers, flyers, and websites.
- Brand owners or retailers are not prohibited from informing consumers that the product prices includes a fee for covering the costs of operating the plan.

Unique Requirements

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The stewardship plan must provide details on:

- how the current program will transition to the new extended producer responsibility model

Important Timelines

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- Brand Owner registration with Recycle NB within 120 days after the amendment of the *Designated Material Regulation* takes effect.
- Submission of a tire recycling plan within 180 days after the amendment of the *Designated Material Regulation* takes effect.
- Implementation within 180 days of approval of the tire recycling plan.

Next Steps – Environment and Climate Change

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- Consider feedback on the regulatory framework;
- Draft amendments to the *Designated Materials Regulation – Clean Environment Act*;
- Posting of the draft amendments to the *Designated Materials Regulation – Clean Environment Act* for a 28-day public comment period;
- Finalize draft amendments to the *Designated Materials Regulation – Clean Environment Act* regulation based on public feedback; and
- Seek approval of regulation by government.