



Major Appliance Recycling Roundtable

Informational Webinar for Major Appliance Producers

Presented by: Major Appliance Recycling Roundtable

Date: June 11 & 18, 2013

Overview

1. Introduction to the BC Recycling Regulation
2. Definition of legally obligated producer
3. The Major Appliance Recycling Roundtable (MARR)
4. How MARR can assist you in complying with the Regulation
5. Types of Major Household Appliances covered by MARR
6. Administrative Program Fees (APF) and how to manage them
7. Determining who within the supply chain should join MARR
8. How to register for MARR and what is the deadline

BC Recycling Regulation

Major household appliances have been regulated under the BC Recycling Regulation

Producers of major appliances have **3 options** to comply with the regulation

1. Appoint an agency with an approved stewardship plan
2. Have their own approved stewardship plan
3. Comply with Part 3 of the Regulation (operate a collection facility, manage collected products, inform consumers, etc.)

These requirements are irrespective of whether a producer offers recycling services to their customers

The MARR Stewardship Plan is currently the only approved stewardship plan for major appliances in the province

Obligated Producer

The obligated producer can be one of the following parties:

1. A person who **manufactures** the product and sells, offers for sale or distributes the product in BC **under their own brand**
2. A person who is not the manufacturer of the product but is the **owner or licensee of a trademark** under which a product is sold or distributed in BC, whether or not the trademark is registered
3. A person who **imports** the product into BC for sale, distribution or use in a commercial enterprise

*Principally the **first seller** or **first importer** in British Columbia*

Please Note: MARR is flexible in terms of which party along the supply chain registers and reports to MARR

Major Appliance Recycling Roundtable (MARR)

- Not-for-profit stewardship agency
- Developed by the Association of Home Appliance Manufacturers (AHAM) Canada and the Retail Council of Canada (RCC) in response to the BC Recycling Regulation
- Board is comprised of major manufacturers and retailers of major appliances
- Created to implement and operate a **Stewardship Plan** on behalf of major appliance “producers”
- The MARR Stewardship Plan was approved by the BC Ministry of environment in June, 2012
- The MARR Stewardship Plan is currently the only approved stewardship plan for major appliances in the province

MARR Stewardship Plan

- Plan is based on the existing market-driven system for recycling major household appliances
- Does not require the development of a collection/recycling system as with more “traditional” stewardship programs
- Plan focuses on enhancing the performance and transparency of the existing market-driven system
- Some of the MARR Initiatives include
 1. Develop and implement processing standard and processor certification
 2. Promote best practices to ensure on-going system performance and improvement
 3. Conduct studies on the operation and performance of the market-driven recycling system
 4. Establish collection/diversion tracking and reporting systems
 5. Reporting annually on progress to the BC Ministry of Environment

Complying with the Regulation

- Registering with MARR and appointing MARR as your “agent” will fulfill all requirements of the BC Recycling Regulation
- Registration deadline is **August 1, 2013**
- Registration is open to all retailers, wholesalers, distributors and manufacturers
- No registration fee
- No requirement to collect and recycling major appliances

Products Covered by MARR

- Major household appliances powered either by 120 volt or 240 volt input power, including those that use natural gas or propane for heating purposes
- Must be designed for use in residential homes
- Appliances used in or sold for industrial, commercial and/or institutional (IC&I) applications that have the same essential design characteristics as major household appliances are also included
- All channels of distribution are captured, including internet/catalog sales

Products Covered by MARR

- Refrigerators, wine coolers and beverage centers
- Freezers
- Portable, room and window air conditioners
- Portable dehumidifiers
- Clothes washers and dryers
- Range hoods & downdrafts
- Ranges, built-in ovens and surface cooking units
- Built-in and over the range microwave ovens
- Dishwashers
- Food waste disposers
- Trash compactors
- Electric water dispensers



Administrative Program Fees (APFs)

- MARR will be funded by the application of APFs on the sale of new major appliances in BC effective **August 1, 2013**
- APFs cover all costs associated with implementing the MARR Stewardship Plan
- APFs are reported and remitted on a **calendar quarter** basis by registered MARR participants (i.e. manufacturers, retailers, wholesalers etc.) using MARR's online reporting system
- Participants input the net quantity of each of the 17 APF categories sold or supplied during the quarter, which generates an invoice
- Reports are due at the end of the month following the calendar quarter
 - *I.e. APFs for sales made between January and March 2014 must be reported and paid by end of April 2014*

Administrative Program Fees Cont'd

- In comparable programs, the fees are typically “passed down” the supply chain, regardless of who in the supply chain is reporting/remitting
- It is the decision of each company how to manage this business cost. Options for managing APFS include:
 1. Absorb the cost of the APF
 2. Increase the price of the product to cover the APF
 3. Show APF as separate line item on invoices/receipts
- APFs are not a tax. No part of the APF is remitted to the government.
- APFs are subject to applicable federal and provincial taxes
 - GST applies to all APFs and will be automatically added to MARR invoices
 - PST is paid to BC gov't only if PST applies to sale of the product itself

APFs by Category

Product Category	APF Rate
1. Full-Size Refrigerators & Wine Coolers/Beverage Centres	\$1.25
2. Compact Refrigerators & Wine Coolers/Beverage Centres	\$1.25
3. Freezers	\$1.25
4. Room Air Conditioners	\$1.25
5. Portable Air Conditioners	\$1.25
6. Dehumidifiers	\$1.25
7. Clothes Washers	\$1.10
8. Clothes Dryers	\$1.10
9. Ranges	\$1.10
10. Range Hoods and Downdrafts	\$1.10
11. Built-In Ovens	\$1.10
12. Built-In and Over the Range Microwave Ovens	\$1.10
13. Surface Cooking Units	\$1.10
14. Dishwashers	\$1.10
15. Food Waste Disposers	\$1.10
16. Trash Compactors	\$1.10
17. Electric Water Dispensers	\$1.10

Who Should Join MARR - General

- Obligated party is defined as the “producer” or “first seller” in BC under the Regulation
- Registration with MARR fulfills all obligations under the Regulation
- Registered participants agree to report on applicable sales and remit APFs
- MARR is flexible in terms of who registers and reports on sales (i.e. could be non-obligated parties)
- The definition of obligated producer becomes relevant when no party is reporting and matter is referred to the BC MoE
- **Supply Chain Communication** - speak with your customers and/or suppliers
- Determine who is in the best position to report and remit APFs
- List of registered participants will be available at marrbc.ca

Who Should Join MARR - Manufacturers

- Manufacturers should speak with each of their customers (retailers, wholesalers etc.) to determine who is in best position to register and report/remit APFs
- Some customers are likely to register and remit, regardless of who is obligated:
 - For cash flow purposes
 - Only customer is able to accurately report BC sales (e.g. reselling out of BC)
- Other customers are likely to expect their supplier to take on this responsibility on their behalf and the manufacturer may choose to register/report as a service to their customer
- Manufacturers are encouraged to register while supply chain communication continues
- A manufacturer will only be required to report/remit APFs on the sale or supply to customers that have NOT confirmed in writing that they are reporting and remitting directly on those sales
- Registration can be terminated if all customers are remitting

Who Should Join MARR – Retailers & Wholesalers

- Retailers/wholesalers should speak with each of their suppliers to determine who is in the best position to register and report/remit APFs
- Some suppliers may agree to report/remit APFs on behalf of your company, if this scenario is preferable (APFs may then be included on related invoices)
- Why register for MARR to report/remit APFs directly?
 - Compliance with regulation if legally obligated party
 - Administrative simplicity if only some suppliers willing to take on responsibility
 - Cash flow purposes (i.e. to avoid APFs on invoices from suppliers)
 - Only company in the supply chain able to accurately report BC sales
- If your company determines you will register and report/remit APFs directly, this should be communicated to your suppliers to ensure you are not invoiced the cost of the APFs
- Companies are encouraged to register while supply chain communication continues
- Registration can be terminated if all suppliers are remitting

Registration and Deadline

- Deadline to register is **August 1, 2013**
- Before you register, see **marrbc.ca** for:
 - MARR Agency Appointment Agreement
 - MARR Rules and Policies
 - List of information that will need to be provided during the registration process
 - Link to the registration system
- Registration system can be accessed directly at **marrbcreporting.ca**
- Step by step registration instructions are available

Thank You for Attending

- For more detailed information, please see **marrbc.ca**
 - Frequently Asked Questions
 - Detailed product list and definitions
 - APF Rates
 - Registration instructions
 - List of registered participants
 - Documents and links

- For any questions, please contact:

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