



Reference: 314061

August 7, 2018

Michael Zarbl
Executive Director
Major Appliance Recycling Roundtable
105 West 3rd Avenue
Vancouver BC V5Y 1E6

Dear Mr. Zarbl:

Thank you for submitting proposed amendments to the BC Major Appliance Stewardship Plan (the “amendments”) on January 12, 2018, in fulfillment of the requirements of section 6 of the [Recycling Regulation](#) (the “regulation”) made under the *Environmental Management Act*. I appreciate the large appliance industry’s continued commitment to achieving compliance and advancing the program in this regard.

Under the regulation, the director has the ability both to amend an approved extended producer responsibility plan (the “plan”) on his own initiative, and to approve amendments to an approved plan that have been proposed by a producer. I have completed my review of, and approve, the amendments proposed by the Major Appliance Recycling Roundtable (MARR).

We note that MARR has made several substantial changes to the program in order to address stakeholder, and the ministry’s, concerns. In support of those changes, as committed to in the final revised plan as submitted, MARR will provide to the ministry:

- An updated target for financial performance within a year following this plan approval;
- An updated target for volumes of removed Ozone Depleting Substances (ODS) once an initial baseline is established; and
- The 2016 baseline value for consumer awareness.

In addition to the amendments proposed by MARR and approved by me in this letter, I amend the plan, pursuant to section 5(5) of the regulation.

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Following one year of operating under the qualified collector framework, but no later than 18 months from the date of this approval letter, MARR will:

- a. Propose amendments to the plan that incorporate financial performance and ODS removal targets;
- b. Propose further amendments to the plan that set consumer awareness targets improving on the 2016 baseline data, annual consumer awareness survey requirements and corrective actions, along with timelines for implementation of those actions that MARR will take if consumer awareness is below the set targets; and
- c. Conduct stakeholder consultations on the amendments proposed by MARR pursuant to paragraph a. and b. and submit a consultation summary document as per the Recycling Regulation Guide.

The above additional amendments form part of MARR's plan and take effect on August 7, 2018.

Proposed amendments to the plan will be in the form of a revised plan submitted to the director, including the stakeholder consultation summary document. MARR will also provide the director with a document that clearly highlights all proposed revisions to the plan.

These additional amendments are required to ensure that MARR establishes performance measures that will demonstrate the effectiveness of the plan respecting the matters referred to in section 5(1) of the regulation. Specifically, I must be satisfied of the following:

- The plan will achieve, or is capable of achieving, within a reasonable time any performance measures, performance requirements or targets in the plan (section 5(1)(a)(iii));
- The plan adequately provides for making consumers aware of the producer's extended responsibility program, the location of collection facilities or the availability of collection services, and how to manage products in a safe manner (section 5(1)(c)(iv)); and
- MARR has undertaken satisfactory consultation with stakeholders on the proposed amendments to the plan and that MARR provides opportunity for stakeholder input in the implementation and operation of the amended extended producer responsibility program (section 5(1)(b)).

Pursuant to section 6 of the regulation and based on the plan's original approval date of June 29, 2012, MARR's next plan review must be completed by June 29, 2022. However, a director under the *Environmental Management Act* may amend the approved plan pursuant to section 5(5) of the regulation or rescind approval of the approved plan pursuant to section 6.1 of the regulation, should MARR fail to meet the commitments set out in the approved plan. Please also note that failure to comply with an approved plan may result in the imposition of an administrative penalty of up to \$40,000 or a fine of up to \$200,000.

Future plans and amendments

The ministry expects continuous improvement across all extended producer responsibility programs' future plans and amendments, including the following areas of concern:

1. Plan commitments – for example, use specific and measurable language;
2. Consumer access – for example, develop comprehensive province-wide accessibility – particularly in rural areas, and/or improve upon the current Stewardship Agencies of BC accessibility standard;
3. Consumer awareness - for example, include performance requirements tailored for different consumer groups and all product types managed by the program;
4. Financial transparency – for example, provide greater levels of disclosure in financial statements to better serve interests of producers, the ministry, and other stakeholders; and
5. Pollution prevention hierarchy – for example, highlight program areas of influence.

I acknowledge that some plans better address various concerns than others, and that collaboration between some producers/appointed agencies and the ministry is underway. As well, the ministry intends to develop further guidance on select areas of concern.

Dispute resolution

Section 5(1)(c)(vi) of the regulation requires that a plan provides for a dispute resolution procedure. All stakeholder consultations on the dispute resolution procedure must be conducted in accordance with the new guidance document entitled “[Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution](#)” approved on April 24, 2018. All future consultations must be in accordance with this guidance.

Third party independent assurance for non-financial information in annual reports

Third party assurance for non-financial information in annual reports is required through section 8(2)(h) of the regulation. The assurance report should be completed in accordance with the document entitled, “Third Party Assurance Requirements for Non-Financial Information in Annual Reports” dated October 2017 and revised from time to time, which is enclosed.

Finally, the ministry expects this approval letter to be forwarded to MARR’s board of directors as well as its membership, since each producer is responsible for ensuring its agent fulfills the plan, and compliance proceedings may be taken against a producer if the agent fails to fully implement the plan.

I look forward to working with you to ensure the success of your program. If you have any questions about this letter, please contact me at 778-698-4860 or ExtendedProducerResponsibility@gov.bc.ca. If you have any questions regarding the implementation of your plan, please contact your ministry file lead.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob McDonald". The signature is stylized with loops and a long horizontal stroke at the end.

Bob McDonald
Director, Extended Producer Responsibility Section
Environmental Standards Branch

Enclosure (2)

cc: Kris Ord, Executive Director, Environmental Standards Branch
Valentina Yetskalo, Ministry file lead, Extended Producer Responsibility Section