Amended May 1, 2026

Table of Contents

Purpose **2**

1.0 Supply Data Verification **2**

1.1 Determining Supply Data 2
1.2 Verification of Supply Data 3
1.3 Application of the Verification Procedure 5
1.4 Reporting and Documentation Requirements 5
1.5 Verification Steps 6

2.0 Management Performance (pre-2025 regulatory amendments) **10**

2.1 Definitions and Background 10
2.2 Management of Tires 13

3.0 Recovery Credits Transferred **20**

Appendix A.1: Sampling Methodology 22
Appendix A.2: Determining the Ontario portion of Tire units supplied into Canada 23
Appendix B.1: Manual and Automated System Controls 24
Appendix B.2: Sampling Methodology 25
Appendix B.3: Validating Tires 26
Appendix B.4: Validating Calculated Weight of Tires 27
Appendix B.5: Validating Transfers 28
Appendix B.6: Validating Outbound Shipments 31
Appendix B.7: Validating Actual Use of Material 33
Appendix B.8: Validating the Mass Balance Calculation 34

Revision History **37**

Purpose

This registry procedure is incorporated by reference into the Tires Regulation, O. Reg. 225/18, under the *Resource Recovery and Circular Economy Act, 2016* S.O. 2016, c. 12, Sched. 1.

The Tires Regulation designates tires as an obligated material.

This procedure has two main sections:

Section 1.0 - Tire Supply Data Verification, establishes how producers:

- determine tire supply data
- verify Tire supply data

Section 2.0 - Tire Management Performance Audit, establishes how:

- producers, or producer responsibility organizations (PROs) on their behalf, conduct third-party audits of the resources recovered from the management of tires used and collected in Ontario

It is the intention of the Registrar/Deputy Registrar to review this procedure on a regular basis.

1.0 Supply Data Verification

This verification procedure applies to all obligated tire producers. It should be read in conjunction with the Tires Regulation.

This procedure is intended to provide guidance to producers, and the qualified person who will be verifying their data, and to support consistent and accurate reporting.

1.1 Determining Supply Data

The Tires Regulation requires producers to report the weight of the tires they supply into Ontario. This information is used to calculate the producer's management requirement.

To calculate the total weight of tires supplied into Ontario (on new vehicles and/or separately), producers may need to determine how many tires they supplied.

a) Determining the number of tires

Producers may use one of the following methods to determine the number of tires supplied into Ontario:

1. Actual number of units
    - Report the actual number of tires supplied into Ontario.

2. Calculated units
    - Calculate the number of tires using the formula outlined in the procedure in Appendix A.2 for determining the Ontario portion of the tires supplied into Canada.

Using either methodology does not reduce a producer's responsibility to provide complete, accurate, and reliable supply data. RPRA inspectors may review the reported data and related records at any time to verify compliance.

b) Determining tire weight

Producers may use one of the following methods to report the weight of tires supplied into the Ontario market:

1. Actual weight
    - Report on the actual weight of the tires.
    - Note: If the actual weight method has been fully explored and is not feasible, producers may use an alternative method (such as weight conversion factors) to achieve the same outcome.

2. Weight conversion factors
    - Calculate weight using the unit-to-weight conversion factors provided by the Registrar: Weight Conversion Factors (Tires)
    - Note: If no conversion factor is available for a product, the producer must report the actual weight.

The options described above do not reduce a producer's responsibility to provide complete, accurate, reliable supply data. RPRA inspectors may review the reported data and related records at any time to verify compliance.

1.2 Verification of Supply Data

The Tires Regulation requires producers of tires to verify the supply data they submit to RPRA. Verification must be completed in accordance with this procedure.

Producers that supply tires, batteries, and EEE materials may submit the verification results in a single report. Regardless, each obligated material(s) must still be verified separately and in accordance with the applicable verification procedure.

For tires, the verification must confirm the completeness and accuracy of the supply data and the qualifications of the verifier. As part of the verification, the verifier must:

- assess and document whether the producer's method for determining tire supply is reasonable; and
- obtain and review supporting evidence, as required.

Applicable Audit Standard

All supply data verification reports must be prepared in accordance with the Canadian Standard CSRS 4400, *Agreed-upon procedures (AUP) Engagements.*

Definitions

For the purposes of this supply data verification procedure:

"Large tire producer" (applicable to 2025 reporting and later) means a tire producer with a three-year rolling average supply weight in respect of a calendar year that is more than 500,000 kilograms.

"Qualified person" means an individual, either an employee of the business or a hired third-party, who has one of the following designations and is not the same person who prepared the supply report.

The "qualified person" will be referred to as the **"Verifier"** for the rest of the document:

- CPA (Chartered Professional Accountant) in Canada
- CPA (Certified Public Accountant) in the US
- ACCA (Association of Chartered Certified Accountants) Qualification
- CIA (Certified Internal Auditor)
- CPB (Certified Professional Bookkeeper) in Canada
- RPA (Registered Professional Accountant) in Canada

To be considered "Qualified," the present status of the Verifier holding one of the above designations must be active and in good standing with the relevant association who issues the designation.

"Small tire producer" (applicable to 2025 reporting and later) means a tire producer with a three-year rolling average supply weight in respect of a calendar year that is less than or equal to 500,000 kilograms.

"Verifier" has the same meaning as "Qualified person" for the purpose of this procedure.

For the purposes of this supply data verification procedure applicable to reporting prior to 2025 (*the following producer definitions only apply to supply data required to be reported before December 31, 2024):*

"Large tire producer" (pre-2025 reporting) means a producer with a collection target greater than 500,000 kilograms in the previous calendar year.

"Medium tire producer" (pre-2025 reporting) means a producer with a collection target greater than 100,000 kilograms and less than or equal to 500,000 kilograms in the previous calendar year.

"Small tire producer" (pre-2025 reporting) means a producer with a collection target less than or equal to 100,000 kilograms in the previous calendar year.

1.3 Application of the Verification Procedure

Tire producers must report their supply data from two years before the reporting date to RPRA (for example, 2023 supply data is reported in 2025).

From 2025 onwards, only large tire producers are required to provide a verification report prepared in accordance with this Tire Supply Data Verification Procedure.

Newly registered producers

All producers that register after 2025 are required to complete and submit a verification report for their first full calendar year of tire supply. Producers that begin supplying tires into the Ontario market or otherwise become obligated partway through a calendar year are not required to complete verification for that partial year.

Small producers

Each year, a sample of small producers may be selected for inspection. All tire producers, regardless of size, remain subject to inspection at any time.

If issues or exceptions are identified, RPRA may conduct a more comprehensive review. It is the responsibility of the tire producer to review and confirm each year that they continue to meet the threshold as a small producer.

1.4 Reporting and Documentation Requirements

The verification report must:

- Include factual findings on the accuracy and completeness of the reported supply weights for each procedure performed.
- Clearly describe and explain any discrepancies identified, such as:
    - over- or under-reporting of supply weights,
    - reasons for variance,
    - impacts, and
    - the final verified weight.
- Include the verifier's name, title, and signature.
- Provide supporting documentation, if applicable, in Excel or Word format.

The requirement to describe the verification process in the verification report can be met by referencing this procedure, as long as the Verifier:

- completes the verification steps outlined below and
- reports the factual findings from those steps.

Producers may choose one of the following options:

- Option A: submit a report that includes the factual findings and description of any exceptions identified.

- Option B: retain the Verifier to complete additional verification steps, if recommended by the Verifier. In this case, the reports must include:
  - the reasoning for the additional verification steps,
  - a description of those steps, and
  - the related factual findings

In some situations, the Verifier may not be able to complete one or more of the required verification steps. If this happens, the Verifier may carry out alternative verification steps, where appropriate. In these cases, the verification report must:

- identify the steps that could not be completed,
- explain why those steps could not be completed, and
- describe the alternative or additional steps that were completed instead.

This verification procedure does not limit RPRA's authority to otherwise request or review relevant records or data.

1.5 Verification Steps

Producers and Verifiers must follow the applicable verification steps outlined below:

Large tire producers (pre-2025, 2025 and later) that are tire manufacturers or tire wholesalers:

1. Document key background information:

   - What supply weight is reported to RPRA for each obligated materials?
     - A detailed breakdown of each obligated material with respective weight is required.
   - What is the producer's tire marketing process? (e.g. online sales, phone sales, etc.)
   - How were tires marketed in Ontario tracked separately from tires supplied in other provinces?
   - How is a SKU (Stock Keeping Unit) set up in the producer's ERP/database/system and what tire specifications are included (e.g. tire type, size, or tire weight)?
   - Locations of the producer's tire retail locations and warehouses in Ontario

2. Assess and document the producer's obligation based on the definition of a producer (refer to Ontario Regulation 225/18: Tires)

   - What are the brands of tires for which the producer has collection and resource recovery obligations?

3. Assess and document the producer's methodology to determine how the tires were supplied or marketed in Ontario (refer to the definition of "market" in s. 59 of the Resource Recovery and Circular Economy Act, 2016).

4. Inquire and document the producer's methodology to prepare the tire supply report

    - Document what system or applications are used to track tire supply
    - Document what reports are used
    - Document detailed step-by-step procedures that demonstrate how tire supply report is prepared

5. Document the producer's methodology to determine the weight of tires supplied in Ontario

6. Select samples in accordance with Appendix A.1 of tire supply transactions to validate the accuracy of tire weight reported:

    - If actual weight is selected, compare to tire manufacturer's specifications to validate tire weight; if calculated weight is selected, compare to RPRA's Weight Conversion Factors to validate tire weight
    - If the producer chooses to use the Weight Conversion Factors, the Verifier must determine if they were applied correctly and that the tires were reported in the correct categories

7. Obtain a complete listing of SKUs and document how the producer determines which tires are included in the tire supply report and which ones, if any, are excluded, based on the definition of "tire" in Ontario Regulation 225/18: Tires.

8. Select samples in accordance with Appendix A.1 of non-obligated SKUs and verify whether the selected SKUs do not meet the definition of "tire".

9. Conduct an analysis to assess the reasonableness of the selected tire supply transactions

    - Investigate and document any tire retail locations with zero tire sales or any tire products with zero sales in the year

10. Confirm the accuracy and completeness of the recording of the obligated tire supply to the Ontario market by sampling at least one month's data (or more if appropriate) and comparing the raw sales report with the obligated tire supply report. Select samples in accordance with Appendix A.1 and investigate the variances and validate if they are reasonable. In subsequent years, a different month or period must be selected.

11. Select samples in accordance with Appendix A.1 of manual adjustments made to the tire supply report and assess if they are reasonable. For example, tires supplied into Ontario and subsequently shipped out of Ontario will result in an adjustment to the tire supply report. Obtain a representative sample of sales invoices or shipment documentations to validate the adjustment.

12. Confirm whether any of the supply weight includes weight reported by other producers. If so, what are the weights and brands? Does the producer have an agreement with the brand holder to report on their behalf?

- If any discrepancies are noted, provide details of the findings including the verified weight and its impact on the total supply weight reported to RPRA.

Large tire producers (pre-2025, 2025 and later) that are vehicle manufacturers:

1. Document key background information:

    - What supply weight is reported to RPRA for each obligated materials?
        - A detailed breakdown of each obligated material with respective weight is required.
    - Obtain a complete list of vehicle models and understand if any models come equipped with a spare tire
    - Inquire about employee leasing program and confirm that those tires are included
    - Inquire about national account vehicle transactions (e.g. rental companies and municipal government) and confirm if those tires are included
    - Inquire about any other vehicle supply programs and confirm if those tires are included

2. Assess and document the producer's obligation based on the definition of a producer (refer to Ontario Regulation 225/18: Tires)

    - Inquire and document the producer's treatment of tires mounted on vehicles and tires supplied separately from vehicles (e.g. winter tires supplied with a new vehicle and replacement tires) in relation to the tire supply report submitted to RPRA

3. Assess and document the producer's methodology to determine how the tires were supplied or marketed in Ontario (refer to the definition of "market" in s. 59 of the Resource Recovery and Circular Economy Act, 2016). Inquire and document the producer's methodology to prepare the new tire supply report

    - Document what system or applications are used to track tire supply
    - Document what reports are used
    - Document detailed step-by-step procedures that demonstrate how tire supply report is prepared

4. Document the producer's methodology to determine the weight of tires supplied in Ontario

5. Select samples in accordance with Appendix A.1 of tire supply transactions to validate the accuracy of tire weight reported

    - If actual weight is selected, compare to the tire manufacturer's specifications to validate tire weight; if calculated weight is selected, compare to RPRA's Weight Conversion Factors to validate tire weight
    - If the producer chooses to use the Weight Conversion Factors, the Verifier must determine if they were applied correctly and that the tires were reported in the correct categories

6. Select samples in accordance with Appendix A.1 of vehicles and validate the types and number of tires reported

7. Conduct analysis to assess the reasonableness of the selected transactions

    - Investigate any retail vehicle dealers with zero car transactions or any vehicle models with zero transactions in the year

8. Confirm the accuracy and completeness of the recording of the obligated tire supply to the Ontario market by sampling at least one month's data (or more if appropriate) and comparing the raw sales report with the obligated tire supply report. Select samples in accordance with Appendix A.1 and investigate the variances and validate if they are reasonable. In subsequent years, a different month or period must be selected.

9. Select samples in accordance with Appendix A.1 of manual adjustments made to the tire supply report and assess if they are reasonable

    - For example, vehicles supplied into Ontario and subsequently shipped out of Ontario will result in an adjustment to the tire supply report. Obtain a representative sample of sales invoices or shipment documentations to validate the adjustment.

10. Confirm whether any of the supply weight includes weight reported on behalf of other brand holders. If so, what are the weights and brand(s)? Does the producer have an agreement with the brand holder to report on their behalf?

Medium tire producers (pre-2025) that are tire manufacturers or tire wholesalers:

1. Inquire and document the producer's methodology to prepare the tire supply report (refer to the definition of "market" in s. 59 of *Resource Recovery and Circular Economy Act, 2016*)

2. Evaluate the producer's methodology to determine the weight of tires supplied in Ontario

3. Select ten non-obligated SKUs and assess if they are indeed not within the definition of "tire"

4. Select ten tire supply transactions to ensure the correct tire weight is reported (i.e. validate tire classification and unit tire weight per manufacturer's specification).

5. Confirm the accuracy and completeness of the recording of supply to the Ontario market by sampling one month's data and comparing the raw sales report with the obligated tire supply report. If any variances are identified, investigate and validate if they are reasonable.

Medium tire producers (pre-2025) that are vehicle manufacturers:

1. Inquire and document the producer's methodology to prepare the tire supply report (refer to the definition of "market" in s. 59 of *Resource Recovery and Circular Economy Act, 2016*).

2. Evaluate the producer's methodology to determine the weight of tires supplied in Ontario.

3. Select ten vehicles from the tire supply report and validate the types and number of tires reported

4. Select ten vehicle supply transactions to ensure the correct tire weight is reported (i.e. validate tire classification and unit tire weight per manufacturer's specification).

5. Confirm the accuracy and completeness of the recording of the supply to the Ontario market by sampling one month's data and comparing the raw sales report with the obligated tire supply report. If any variances are identified, investigate and validate if they are reasonable.

2.0 Management Performance (pre-2025 regulatory amendments)

This section will be updated to reflect regulatory amendments made in 2025.

Note: RPRA is delaying the requirement for producers and PROs of tires to submit a performance audit report in 2026, due to the finalization of this procedure. Producers and PROs will be required to submit their first performance audit report at a later time, to be confirmed in consultation with PROs, and in accordance with the finalized procedure. RPRA will communicate directly with producers and PROs regarding the delayed performance audit requirements.

2.1 Definitions and Background

This audit procedure should be read in conjunction with Ontario Regulation 225/18: Tires and compliance bulletins for tires published by the Resource Productivity and Recovery Authority (RPRA).

Appropriate contractual relationships between producer responsibility organizations (PROs), collection sites, haulers, processors and retreaders must exist that allow for the auditor to obtain and review data and documentation to support the audit.

Purpose

Under the Tires Regulation, tire producers are required to meet mandatory collection and management targets. Section 26 of the regulation requires that an audit of the performance of each producer's management system be completed by an independent

auditor who is licensed or holds a certificate of authorization under the Public Accounting Act, 2004 and in accordance with the procedures set out in the Registry Procedure – Audit published by the RPRA.

This audit procedure is intended to ensure consistency of reporting by producers and PROs and provide sufficient guidance to allow auditors to be able to provide a consistent level of assurance in a consistent format.

Tire Performance Reporting Criteria

Section 26, subsection 3 of the Tires Regulation states that:

On or before October 31, 2024 and on or before October 31 in every third subsequent year, the producer shall prepare and submit a copy of a report on the audit to RPRA through the Registry that includes the following with respect to tires collected in the previous three calendar years:

1. The number and calculated weight of tires, for each tire type, that were:
    - sold and reused for their original purpose with or without modification, including repair but not retreading.
    - reused without modification for a new purpose.

2. The number and calculated weight of tires, for each tire type, that were retreaded.

3. The weight of processed materials, by material type, that resulted from the processing of tires.

4. A list of types of products and packaging that were made with the processed materials referred to in paragraph 3, by material type.

5. The number and calculated weight of tires and the weight of processed materials, by material type, that were:

    - Land disposed;
    - Incinerated;
    - Used as a fuel or a fuel supplement; or
    - Stored, stockpiled or otherwise deposited on land.

6. A statement confirming whether the producer met their resource recovery standard of 85%, as set out in section 11.

RPRA's Compliance Bulletin No. 7 – Annual Reporting Requirements recognizes that:

a. The used tire industry does not generally segregate used tires into these four categories when handling used tires; and
b. The only category that has specific collection requirements is the large tire

category (greater than 700 kg).

For the purposes of annual reporting, only two categories will be required for reporting in the Registry:

- Tires greater than 700 kg (the large tire category)
- Tires less than or equal to 700 kg (everything other than large tires)

Additionally, references to “calculated weight of tires” in the regulation and this audit procedure can mean either the actual weight of tires or the corresponding weight of tires determined in accordance with the Registry Procedure Weight Conversion Factors (Tires).

Definitions

The following is a list of words used in this document that have not been defined in the Tires Regulation or RPRA compliance bulletins:

“Collection Year” means calendar year.

“End Market” means any company or individual where tires or material can be sent that would not require any additional processing to be used for its intended use.

“Non-processed Percentage” means the percentage of tire material that flows through a processing facility that is not used to create a product or packaging allowable under the Tires Regulation.

“Non-retreaded Percentage” means the percentage of tire material that flows through a retreading facility that is not retreaded.

“Resource Recovery Performance Year” is April 1 to March 31.

“Processed Percentage” means the percentage of tire material that flows through a processing facility that is used to create product or packaging allowable under the Tires Regulation.

“Retreaded Percentage” means the percentage of tire material that flows through a retreading facility that is retreaded.

“Recycled Product Manufacturers (RPMs)” manufacture products and packaging from processed tire material.

“Resource Recovery” means reuse, retreading or processing of tires.

“Secondary Processor” means a processor who receives material from another processor before sending it to a third processor, end market or RPM.

“Semi-Processed Material” means material derived from a tire processed at one or more processing facilities but requires processing at a secondary processor before sending it to a third processor, end market or RPM.

“A listing of all transactions” means all transactions no matter whether they occurred by a PRO to meet producers’ collection and resource recovery obligation or resulted in collection or resource recovery performance credits to be sold or purchased.

2.2 Management of Tires

This revised registry procedure for tire performance applies to the verification of whether producers meet mandatory collection and management targets, beginning with performance data reported in 2024 for used tires collected in the calendar years 2023, 2022 and 2021 and managed by reuse, retreading or processing by March 31, 2024.

Applicable Audit Standard

All audit reports are expected to be prepared in accordance with the Canadian Standard on Assurance Engagements 3000 (CSAE 3000), Attestation Engagements Other than Audits or Reviews of Historical Financial Information. The assurance report should explicitly reference conformance with CSAE 3000.

An audit statement in line with this standard is expected to include details of, or reference to:

- The auditor, the engagement company and intended users
- Planning for the audit
- Materiality and level of assurance
- The reporting obligation and subject matter being audited
- A description on the auditing process(es)
- Information on the company’s data flow and data quality assurance procedures
- Strategic analysis and risk assessments to establish sampling requirements consistent with the level of assurance and the risk to material misstatements identified when reviewing the data flow and control/assurance procedures
- A written assurance report in the form appropriate to an assurance engagement
- The auditor’s accreditation

Audit Procedure

The following procedure outlines the required validation of performance metrics defined in section 26(3) of the Tires Regulation.

Notes:

- The actual testing for performance metrics #3 and #5 can be completed simultaneously, as the processes are similar.
- In addition to testing a sample of transactions for each performance metric, auditors can test the procedures for auditing manual and automated controls to provide additional comfort that the reporting data will be accurate, valid and complete. (Appendix B.1.)
- Any reference to an activity being performed by a producer or a PRO includes activities being overseen, coordinated or contracted by the producer or PRO.

1. **The number and calculated weight of tires, for each tire type, that were reused.**
    a) Obtain a listing of all transactions for the PRO, by collector, tire hauler, retreader and processor who reported the transaction, that make up the total number and calculated weight of tires that were reused.
    b) Recalculate total number and calculated weight of reused tires.
    c) Validate accuracy and consistency of the listing received with reported number and calculated weight of tires, for each tire type that were reused in the PRO's annual report.
    d) Use analytical procedures to assess the reasonableness of transactions.
    e) Select a representative sample of inbound shipments. (Appendix B.2.)
    f) For each sample, confirm the validity of the original tires. (Appendix B.3.)
    g) For each sample, confirm the number or calculated weight of tires. (Appendix B.4.)
    h) Select a representative sample of outbound shipments. (Appendix B.2.)
    i) Confirm the validity, accuracy and completeness of the recording of the sale/transfer/charge to the end market. (Appendix B.5. and B.6.)
    j) For each sample, confirm the validity of the end market, the reusing party, and that they are going to reuse the tire and how the tire will be reused either a) for intended use on a vehicle or b) for a different use without modification or with modification, including repair but not including retreading. (Appendix B.7.)
    k) For each sample, confirm the number and calculated weight of tires.

2. **The number and calculated weight of tires, for each tire type, that were retreaded.**

    a) Obtain a listing of all transactions for the PRO that make up the total number and calculated weight of tires that were retreaded.
    b) Recalculate total number and calculated weight of retreaded tires.
    c) Validate consistency/accuracy of the listing received with reported number and calculated weight of tires, for each tire type that were retreaded in the PRO's annual report.

For each retreader:

d) Use analytical procedures to assess the reasonableness of transactions.
e) Select a representative sample of inbound shipments. (Appendix B.2.)
f) For each sample, confirm the validity of the original tires and the accuracy of the recording of the transaction. (Appendix B.3.)
g) For each sample, confirm the accuracy and reasonableness of the calculated weight of tires. (Appendix B.4.)
h) Select a representative sample of outbound shipments.
i) For each sample, confirm the validity, accuracy and completeness of the sale/transfer/charge to the processor, end market or RPM. (Appendix B.5. and B.6.)
j) For each sample, confirm the validity of the processor, end market or RPM, and that they are going to use the retreaded tires or material for its intended purpose. (Appendix B.7.)
k) For each sample, confirm the number, reasonableness and calculated weight of tires.

If all retreaded tires are not tracked individually:

l) For each sample, obtain the retreading facility's mass balance(s) for the audit period. (Appendix B.8.)
m) For each retreading facility's mass balance, identify and recalculate the percentage of retreaded tires per kg inbound tires.
n) Confirm that the total weight of retreaded material allocated to the PRO equals the total weight of collected tires allocated to the PRO multiplied by the retreader's retreaded percentage, as confirmed by the mass balance recalculation.
    - If the retreader calculates the mass balance on a more frequent than annual basis (e.g. monthly) and uses new mass balances to identify the retreaded percentage on each occasion, repeat this procedure for each mass balance.

3. The weight of processed materials, by material type, that resulted from the processing of tires and the weight of rims that the processor separated from tires received.

Material Types:

- Crumb rubber
- Tire-derived mulch
- Tire-derived aggregate
- Tire derived rubber strips and chunks
- Tire derived metal (no rims)
- Fluff and fiber

- Other

a) Obtain a listing of all transactions for the PRO that make up the total number and calculated weight of tires that were processed, by processor, for each material type and weight of rims.
b) Recalculate total weight of processed material.
c) Validate consistency/accuracy of the listing received with the reported weight of processed materials in the PRO's annual report.

For each processor:

d) Use analytical procedures to assess the reasonableness of transactions.
e) Select a representative sample of inbound shipments. (Appendix B.2.)
f) For each sample, confirm the accuracy, completeness and validity of the original tires recorded. (Appendix B.3.)
g) For each sample, confirm the weight of the collected material. (Appendix B.4.)
h) Select a representative sample of outbound shipments from across the seven material types and rims.
i) Confirm the validity of the sale/transfer/charge to the RPM, secondary processor or end market. (Appendix B.5. and B.6.)
j) For samples transferred to a secondary processor, repeat audit procedures 3b) to 3h).
k) Confirm the validity of the RPM or end market, and that the material is going to be used in the manner intended. (Appendix B.7.)
l) Confirm the weight of the outbound processed material, e.g. weigh scale ticket.
m) For each sample, obtain the processing facility's mass balance(s) for the audit period. (Appendix B.8.)
n) For each processing facility's mass balance, identify and recalculate the percentage of processed material per kg inbound tires.
o) Confirm that the total weight of processed material allocated to the PRO equals the total weight of collected tires allocated to the PRO multiplied by the processor's processed percentage, as confirmed by the mass balance recalculation.
    - If the processor calculates the mass balance on a more frequent than annual basis (e.g. monthly) and uses new mass balances to identify the processed percentage on each occasion, repeat this procedure for each mass balance.

4. A list of types of products and packaging that were made with the processed materials, by material type.

Product and Packaging Types:

- Mulch, all applications, including landfill drainage chips

- Landscaping products (not mulch), including tree rings and pavers
- Sporting and playground surfaces (not mulch)
- Sporting and playground equipment
- Flooring products, including agricultural applications
- Sound proofing products
- Roofing applications
- Blasting mats
- Ballistic products
- Bases, e.g., pylon and post bases
- Blocks, including wheel chocks
- Equipment feet, e.g., ladder and furniture feet
- Vehicle splash guards, mud flaps and floor mats
- Ramps
- Rubberized asphalt
- Speed bumps and parking curbs
- Cable guards
- Footwear
- Houseware products, including planters, coasters and furniture
- Other

Note: The Tires Regulation states in s. 11(5): Mulch and landscaping material and tire-derived aggregate used in roadbed construction or repair must not, separately or combined, account for more than 20% of the 85% minimum requirement referred to in clause (2) (b).

a) Obtain a listing of all transactions for the PRO that make up the total number and calculated weight of tires that were processed, which includes the name of the RPMs or that it was sold directly to an end market.
b) Filter the transaction list into a list of RPMs or, if the material was not sent to an RPM, the product that was sent to an end market.
c) For each RPM, obtain the contractual documents relating to the delivery of processed materials to each RPM and a supporting document signed by the RPM that states the products and packaging types manufactured by the RPM from the processed material received from the processor.
d) Confirm that the list of products and packaging across all RPMs and the products that were sent to end markets matches the products and packaging reported by the PRO.
e) Confirm the validity of the products and packaging made by the RPM. (Appendix B.6. and B.7.)
f) By dividing the total weight of reported mulch, landscaping material and tired derived aggregate used in roadbed construction or repair by the

total weight of processed material, confirm that mulch, landscaping material and tire-derived aggregate used in roadbed construction or repair is not, separately or combined, more than 20% of the reported processed material.

5. The number and calculated weight of tires and the weight of processed materials, by material type, that were land disposed, incinerated, used as a fuel or a fuel supplement, or stored, stockpiled or otherwise deposited on land.

a) Obtain a listing of all transactions for the PRO, which make up the total weight of processed materials, by material type, that were land disposed, incinerated, used as a fuel or a fuel supplement, or stored, stockpiled or otherwise deposited on land.
b) Recalculate total weight of non-recycled material.
c) Validate consistency/accuracy of the listing received with the reported number and calculated weight of tires and the weight of processed materials, by material type, that were land disposed, incinerated, used as a fuel or a fuel supplement, or stored, stockpiled or otherwise deposited on land in the PRO's annual report.

For each processor:

d) Use analytical procedures to assess the reasonableness of transactions.
e) Select a representative sample of inbound shipments. (Appendix B.2.)
f) For each sample, confirm the validity of the original tires. (Appendix B.3.)
g) For each sample, confirm the accuracy and completeness of the weight of the collected material. (Appendix B.4.)
h) Select a representative sample of outbound shipments from across the four non-recycling methods.
i) Confirm the accuracy, completeness of the recording and the validity of the sale/transfer/charge to end market. (Appendix B.5. and B.6.)
j) Confirm the validity of the end market, and that the material is going to be used in the manner intended. (Appendix B.7.)
k) Confirm the weight of the outbound material (e.g. weigh scale ticket).
l) For each sample, obtain the processing facility's mass balance(s) for the audit period. (Appendix B.8.)
m) For each processing facility's mass balance, identify and recalculate the percentage of non-recycled material per kg inbound tires.
n) Confirm that the total weight of non-processed material allocated to the PRO equals the total weight of inbound tires/material allocated to the PRO multiplied by the processor's non-processed percentage as confirmed by the mass balance recalculation.
    - If the processor calculates the mass balance on a more frequent than annual basis (e.g. monthly) and uses new mass balances to identify the non-processed percentage on each occasion, repeat this

procedure for each mass balance.

6. A statement confirming whether the producer met their resource recovery standard of 85%.

a) Obtain a listing of all tire collection transactions for the PRO which makes up the total weight of collected tires.
b) Use analytical procedures to assess the completeness of the collected tires performance data.
c) Using the recalculated weight of tires from performance metrics 1, 2 and 3 (if they are not the same as the reported figures), confirm that the total equals at least 85% of the PRO's actual weight of collected tire performance.

If the PRO has not achieved at least 85% of the PRO's actual weight of collected tire performance:

d) Obtain the PRO's allocation methodology and allocated volumes for each producer they represent to determine how the weight of collected tires and the weight of reused tires, retreaded tires and processed materials have been allocated to the producer.
e) Review the weight of collected tires and the weight of reused tires, retreaded tires and processed materials for each PRO broken down by producer to ensure that no collected tires, reused tires, retreaded tires or processed material was allocated to more than one producer.
f) Confirm which producers, if any, met their resource recovery standard of 85% and which did not.

7. Tire collection and recovery credits transferred

In order to meet a producer's annual collection and resource recovery obligations, producers or PROs may purchase collection or resource recovery performance credits before the annual reporting deadline. For compliance purposes, the following procedure outlines how to validate credits transferred (bought/sold) between PROs and should be read in conjunction with RPRA's Compliance Bulletin – Tire Performance Credits.

PROs who transferred any credits

It is recognized that an auditor may not be able to verify the existence of the credits bought from or sold to another PRO. As a result, the auditor should provide a CSAE 3000 report for a PRO's own performance and a separate report related to the credits transferred in accordance with Canadian Standard CSRS 4400, Agreed-upon Procedures Engagements.

To create a more efficient reporting process that helps minimize the burden on business, the Authority is allowing registrants to align the deadline and scope of

the collection or resource recovery transfer verification report with the tire performance audit report.

Therefore, on or before October 31, 2024, and every third subsequent year, registrants can submit both reports at the same time.

The following procedure outlines the requirement under CSRS 4400 to validate the collection and resource recovery credits transferred by any PROs:

1. Obtain copies of all purchase and sales agreements (i.e., legal agreement/contract) related to weight of the tires and ensure two signatures are present.
2. Obtain an email confirmation from all purchasers/sellers contracting with your PRO confirming the total volume of credits bought/sold by your PRO. Determine that the confirmed amounts agree with the volume of credits added to or removed from your PRO's performance and the purchase/sale documentation.
3. Agree the monetary transaction total amounts in the invoice provided by your PRO to the total amounts reported in the purchase/sale order.
4. Agree the monetary transaction amounts in the invoice provided by your PRO to the total amount of funds withdrawn from or deposited to your PRO's bank statement.
5. Agree the total amount of weight credits bought/sold by your PRO that are reported in your PRO's credit/sales weights to the amount reported on the credit transfer documentation (i.e. Certificate of Transfer).
6. Recalculate the resource recovery percentage in your PRO's tire collection and performance summary using the total reported weight, including unaudited recovery/collection credits bought from or sold to another PRO and determine if the results of the calculation are 85% or greater.
7. Recalculate the allocated volumes for each producer using the proportionate collection/recovery weight based on each producer's collection obligation and agree to the total reported weights.

In the event that a PRO transferred credits before the reporting deadline, the requirement to confirm whether the producer achieved their resource recovery standard of 85% will be met if the auditor provides reasonable assurance through a CSAE 3000 report, validating the PRO's own performance, and provides the results of carrying out CSRS 4400 procedure engagement related to credits transferred.

3.0 Recovery Credits Transferred

The Tires Regulation requires that recovered weight be audited in accordance with this procedure every three years.

In 2025, RPRA released a new compliance guideline (Collection System and Minimum Management Requirement Guideline) to support producers and PROs in understanding how to meet minimum management requirements, including through the buying and selling of “recovered weight” and “performance credits”.

Despite performance metric #7 “Tire collection and recovery credits transferred” described in the Audit Procedure section above, if a producer or PRO intends to sell performance credits to another producer or PRO, they must audit the recovered weight in accordance with this procedure prior to sale.

This means that provided the performance credits have been audited in accordance with the applicable procedure prior to sale, they can count toward a producer’s minimum management requirement.

A producer or PRO selling performance credits must provide the purchaser with a letter from their third-party auditor who conducted the audit stating that all the recovered resources meet the standards set out in the applicable procedure.

Additional information is available in the Collection System and Minimum Management Requirement Guideline.

Appendix A.1: Sampling Methodology

Variable sampling is a statistical sampling method that estimates the amount of misstate ment in an account balance or class of transactions and compares it to an allowable level of tolerable misstatement. The samples should be randomly selected (unbiased) from the entire population.

The following table sets out the sample sizes required:

Populations	Sample Size Required
500+	60
250	50
100	40
50	30
10	10

Note: These sample sizes are based on 95% confidence level and 5% tolerable deviation rate.

Appendix A.2: Determining the Ontario portion of Tire units supplied into Canada

The estimated units of tires supplied into Ontario can be determined by using the formula:

(P1/P2) x Canada National Sales

“P1” is the population of Ontario, as reported by Statistics Canada in the most recent official census,

“P2” is the total population of provinces and territories in Canada in which the producer sells tires in, as reported by Statistics Canada in the most recent official census.

“Canada National Sales” is the total units of tires that a producer sold in Canada in the tires category in the calendar year.

Appendix B.1: Manual and Automated System Controls

- Automated trigger alerts for submitted inbound and outbound shipment volumes outside of reasonable boundaries (e.g. greater than a standard semi-truck could reasonably carry).
- Automated trigger alerts for submitted inbound volumes where actual weight, based on scale ticket, is outside of reasonable variance boundaries when compared to estimated weight, based on number of tires multiplied by pre-defined weights.

Appendix B.2: Sampling Methodology

Attribute sampling is the most appropriate audit methodology to efficiently validate compliance. It tests a sample of a population to validate whether the attribute is consistent in a population, e.g. the reported volumes of reused tires are accurate, complete, and valid.

Sample sizes obtained through this sampling methodology are based on four variables: population size, confidence level, expected deviation rate, and tolerable deviation rate. For the audit procedure, the variables have been defined as the following:

Confidence Level = 95% Expected Deviation Rate = 0% Tolerable Deviation Rate = 5%

Based on the below populations, this leads to the stated sample sizes required:

Population	Sample size required	Deviations
500+	60	0
250	50	0
100	40	0
50	30	0
10	10	0

If any deviations are identified, then sampling is no longer an appropriate testing method and more detailed substantive procedures need to be applied to validate the control or data.

Note that these sample sizes are relevant for each control or data set being tested to complete the CSAE 3000 report and satisfy the audit procedure.

Appendix B.3: Validating Tires

There are three specific criteria that a tire must meet in order to be considered valid for collection performance reporting under the audit procedure:

a) It meets the Tires Regulation definition of a tire.
b) It was used in Ontario.
c) It was collected in Ontario by a collector in compliance with the Tires Regulation and transported to a registered processor or registered retreader by a registered tire hauler or transferred for reuse. A list of RPRA registered collectors, tire haulers, retreaders and processors can be obtained from the RPRA website.

Appendix B.4: Validating Calculated Weight of Tires

Calculated weight of tires means either the actual weight of tires, or the weight of tires using conversion factors in accordance with the Registry Procedure Weight Conversion Factors (Tires).

Actual Weight

Whenever actual weight is reported, the auditor should ensure the following:

- Ensure that scale tickets are automatically printed from the scale reading and that scale tickets include time, date, weight, are legible and not manually altered.
- Ensure that the processors have an annual scale calibration report provided by an independent, qualified inspector.

Weight Based on Conversion Factors

Whenever weight calculated based on conversion factors is reported, the auditor should ensure the following:

- The conversion factors for used tires have been applied.
- The conversion factor calculation is accurate.

Appendix B.5: Validating Transfers

The following is a list of transfers of tires or material that may occur during the process of collecting and processing tires. For each transfer, the listed information would be expected to be recorded as part of the supporting documentation for that transaction.

Collection Facility to Hauler

- Electronic or hard copy record of transfer of material from collection facility to hauler, which includes at least:
    - Name and location of collection facility
    - Name of tire hauler
    - Unique document ID number
    - Signed by representatives of the collection facility and hauler
    - Estimated number of tires equal to or under 700 kg
    - Estimated number of tires over 700 kg

Hauler to Processor

- Electronic or hard copy record of transfer of material from hauler to processor, which includes at least:
    - Name and location of processor
    - Name of tire hauler
    - Unique document ID number
    - Signed by representatives of hauler and processor
    - Estimated number of tires equal to or under 700 kg
    - Estimated number of tires over 700 kg
    - Actual weight of tires
    - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

Processor to Secondary Processor

- Electronic or hard copy record of transfer of material from processor to hauler, which includes at least:
    - Name and location of processor
    - Name of hauler
    - Name and location of secondary processor
    - Unique document ID number
    - Signed by representatives of processor and hauler
    - Type of material
    - Actual weight of outbound material
    - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

- Electronic or hard copy record of transfer of material from hauler to secondary processor, which includes at least:

- Name and location of processor
- Name of hauler
- Name and location of secondary processor
- Unique document ID number
- Signed by representatives of hauler and secondary processor
- Type of material
- Actual weight of inbound material
- Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

Processor to Recycled Product Manufacturer

- Electronic or hard copy record of transfer of material from processor to hauler, which includes at least:
  - Name and location of processor
  - Name of hauler
  - Name and location of RPM
  - Unique document ID number
  - Signed by representatives of processor and hauler
  - Type of material
  - Actual weight of outbound material
  - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

- Electronic or hard copy record of transfer of material from hauler to RPM, which includes at least:
  - Name and location of processor
  - Name of hauler
  - Name and location of RPM
  - Unique document ID number
  - Signed by representatives of hauler and RPM
  - Type of material
  - Actual weight of inbound material (may not be available depending on RPM's facilities)
  - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number (may not be available depending on RPM's facilities)

Processor to End Market

- Electronic or hard copy record of transfer of material from processor to hauler, which includes at least:
  - Name and location of processor
  - Name of hauler
  - Name and location of end market
  - Unique document ID number
  - Signed by representatives of processor and hauler

- Number of items
- Type of product
- Actual weight of outbound material
- Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

- Electronic or hard copy record of transfer of material from hauler to end market, which includes at least:
  - Name and location of processor
  - Name of hauler
  - Name and location of end market
  - Unique document ID number
  - Signed by representatives of hauler and end market
  - Type of material
  - Actual weight of inbound material (may not be available depending on end market's facilities)
  - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number (may not be available depending on end market's facilities)

Retreader to End Market

- Electronic or hard copy record of transfer of material from retreader to hauler, which includes at least:
  - Name and location of retreader
  - Name of hauler
  - Name and location of end market
  - Unique document ID number
  - Signed by representatives of retreader and hauler
  - Number of retread tires (if greater than one)
  - Actual weight of outbound material
  - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number

- Electronic or hard copy record of transfer of material from hauler to end market which includes, at least:
  - Name and location of retreader
  - Name of hauler
  - Name and location of end market
  - Unique document ID number
  - Signed by representatives of hauler and end market
  - Actual weight of inbound material (may not be available depending on end market's facilities)
  - Weigh scale ticket or photograph of weigh scale ticket, including unique ID number (may not be available depending on end market's facilities)

Appendix B.6: Validating Outbound Shipments

Material / Use	Examples of Suitable End Markets	Examples of Suitable Evidence
Processed		
Blasting Mats	Mining Companies	Sales Invoice Shipping Invoice / Bill of Lading Evidence of payment received in General Ledger (GL) Evidence of payment received in bank (statement)
Paving Products	Construction Companies	
Rubber Products for Surfaces	Construction Companies Artificial Turf Manufacturers	
Rubber Products for Signage Bases	Construction Companies Highway Maintenance Municipalities	
Mulch and Landscaping	Landscaping Companies	
Aggregate for Road Construction	Construction Companies Highway Maintenance Municipalities	
Retreaded		
Retreaded Tire	Companies running heavy equipment; farms, mines, construction. Haulers	Sales Invoice for Retreading Services Shipping Invoice / Bill of Lading Evidence of payment received in GL Evidence of payment received in bank (statement)
Non-processed		
Land Disposed	Waste Disposal Companies	Tipping Fee Shipping Invoice / Bill of Lading Evidence of payment made in GL Evidence of payment received in bank (statement)
Incinerated	Waste Disposal Companies	Purchase Invoice Shipping Invoice / Bill of Lading Evidence of payment made in GL Evidence of payment received in bank (statement)
Used as Fuel	Alternative Fuel Companies	Receipt Shipping Invoice / Bill of Lading Evidence of payment received in bank (statement)
Stockpiled	Any remaining inventory after	Mass Balance Physical

	March 31st of the year following the audit period	Observation
Reused		
Used Tire	Automotive Parts Automotive Mechanics Direct Customers	Sales Invoice Repair Invoice Shipping Invoice / Bill of Lading Evidence of payment received in GL Evidence of payment received in bank (statement)

Appendix B.7: Validating Actual Use of Material

Assessing the validity of RPMs and end markets is a critical component of the audit procedure. The procedure is designed to give reasonable assurance that sales of materials to RPMs and end markets are for uses appropriate under the Tires Regulation. The following are examples of the types of procedures that are expected to be applied by auditors to gain assurance of valid RPM and end market sales.

- Does the RPM or end market exist and is it active?
    - What actions has the PRO or processor taken to verify? Can they be relied upon?
    - Contact the company.
    - Check company website.
    - Check company directories.

- Does the type of RPM or end market that received the processed material seem like the type of company that would use the material in the manner intended?
    - What actions has the PRO or Processor taken to verify? Can they be relied upon?
    - Contact the company.
    - Check company website.
    - Conduct a site visit.
    - A signed attestation from the company's auditor that supports their stated use.
    - Evidence that can be obtained from other regulatory bodies.
    - Does the cost of the material to the RPM or end market logically suggest that it would be used for the manner intended?
    - Does the cost of transportation of the material, combined with the cost of material or separately, logically suggest that it would be used for the manner intended?

Appendix B.8: Validating the Mass Balance Calculation

A mass balance calculation can be used by processors to calculate the average flow of material where it would be unviable to track specific units of input. For example, for crumb rubber processors it would be almost impossible to track an inbound shipment of tires and accurately state that 75% was processed into crumb rubber, 20% was processed into scrap steel and 5% was processed into fluff material because the inbound material would be mixed with many other inbound shipments.

The mass balance calculation uses the premise that a mass that enters the system must, by conservation of mass, either leave the system or accumulate within the system. In this scenario, this means for whatever volume of tires that is received by a processor, there would be evidence of it either leaving the processor or held as inventory at the processor.

The mass balance calculation:

Opening Tires Inventory Balance	+	Inbound Tires	=	Outbound Material (Processed and Non-Processed)	+	Closing Material Balance (Processed and Non-Processed)

For the purposes of the audit procedure, outbound material volume should be broken down into two categories:

1. Material sent to an end market to be used in the making of products and packaging such as:

    - Retreaded tires
    - Crumb rubber
    - Tire-derived mulch
    - Tire-derived aggregate
    - Tire derived rubber strips and chunks
    - Tire derived metal (no rims)
    - Fluff and fiber
    - Other

2. Material sent to an end market to be disposed of or stored in a manner that is not considered recycling such as:

    - Land disposed
    - Incinerated
    - Used as a fuel or a fuel supplement
    - Stored, stockpiled or otherwise deposited on land

Each variable in the mass balance calculation is expected to be verified during audit by testing an appropriate sample of inbound and outbound shipments, as detailed in this document.

Once the mass balance has been verified, proportions for outbound material can be reasonably applied to all inbound shipments. This means that, for every kg of material collected by one producer and processed at the specified processor, it would be possible to calculate the percentage of that material volume that was recycled and the percentage that was not.

Example:
Processor A receives inbound shipment ID no. 123XYZ of 10,000 kg. The PRO has allocated the volume to the producers it represents in the following way: Producer 1–5,000 kg, Producer 2 —2,000 kg, and Producer 3—3,000 kg.

Processor A completes a mass balance that shows that 90% of inbound material was sent to an end market to be used in the making of products and packaging and 10% of inbound material was disposed of or stored.

Therefore, for shipment ID no.123XYZ, the following recycled material can be reported by the producers: Producer 1—4,500 kg, Producer 2—1,800 kg, and Producer 3—2,700 kg. The following non-recycled material can be reported by the producers: Producer 1—500 kg, Producer 2—200 kg, and Producer 3—300 kg.

If a producer is only reporting material processed at one processor, then the mass balance percentage calculation would be able to be applied to all collected material for that producer.

Collection Year vs Resource Recovery Performance Year
Tires collected in the collection year (January 1 to December 31) can be processed up until March 31 of the following year and count towards the producer's resource recovery target. Any tires collected in the Collection Year that have not been processed and/or ownership of processed material has not been transferred to an End Market or RPM by March 31 of the following year must be reported as "stockpiled" and cannot count towards the resource recovery target.

This may mean that at the beginning of an audit period a processor may physically have tire inventory that cannot be included in the following year's mass balance. The processor would have to determine the processed and non-processed percentage, apply that to the December 31 tire inventory balance and remove those amounts from the outbound weight of the mass balance.

The auditor would have to ensure that the processing facility had processed at least the same or greater volume of tires between January 1 and March 31 of the year following the audit period than the December 31 tire inventory balance.

Rims

Producers are obligated to collect tires regardless of whether they are attached to rims. Therefore, if a processor receives tires attached to rims the weight of the rims cannot count towards collection performance nor can the weight of the rims be counted towards resource recovery performance.

The weight of outbound scrap steel derived from rims must be removed from the inbound weight of inbound tires to ensure that the weight of rims is not included as collection performance. The weight of outbound scrap steel derived from rims must also be removed from the mass balance in order for the calculation to balance.

Semi-processed Material Received by Secondary Processors

Processed material can only count towards the producer's resource recovery performance target once. Therefore, if material is sent from one processor to a secondary processor, the auditor must ensure that the processing performance is only counted once towards the producer's processing target.

As this relates to the mass balance, the weight of semi-processed material must be removed from the inbound weight of material. The processor would also have to determine the processed and non-processed percentage, apply that to the inbound semi-processed material and remove those amounts from the outbound weight of the mass balance.

As part of the audit process, the auditor should validate that the inbound tires were received from a collection facility and not another processor. If recorded correctly, a listing of all transactions by a producer, for the PRO, that make up the total weight of processed materials, would not include semi-processed material transactions.

Revision History

Date	Revisions
Issued Feb 20, 2018	N/A
Reviewed March 2023	Updated to reflect amendments to O. Reg. 225/18: Tires and includes a detailed Supply Data Verification procedure and Performance audit procedure
Reviewed March 2024	Updated to add Appendix A.2 – Determining the Ontario portion of Tire units supplied into Canada
Reviewed May 2026	Updated to: • align with regulatory amendments from 2025 • revise cut-off thresholds for small and large producers • remove medium producer category