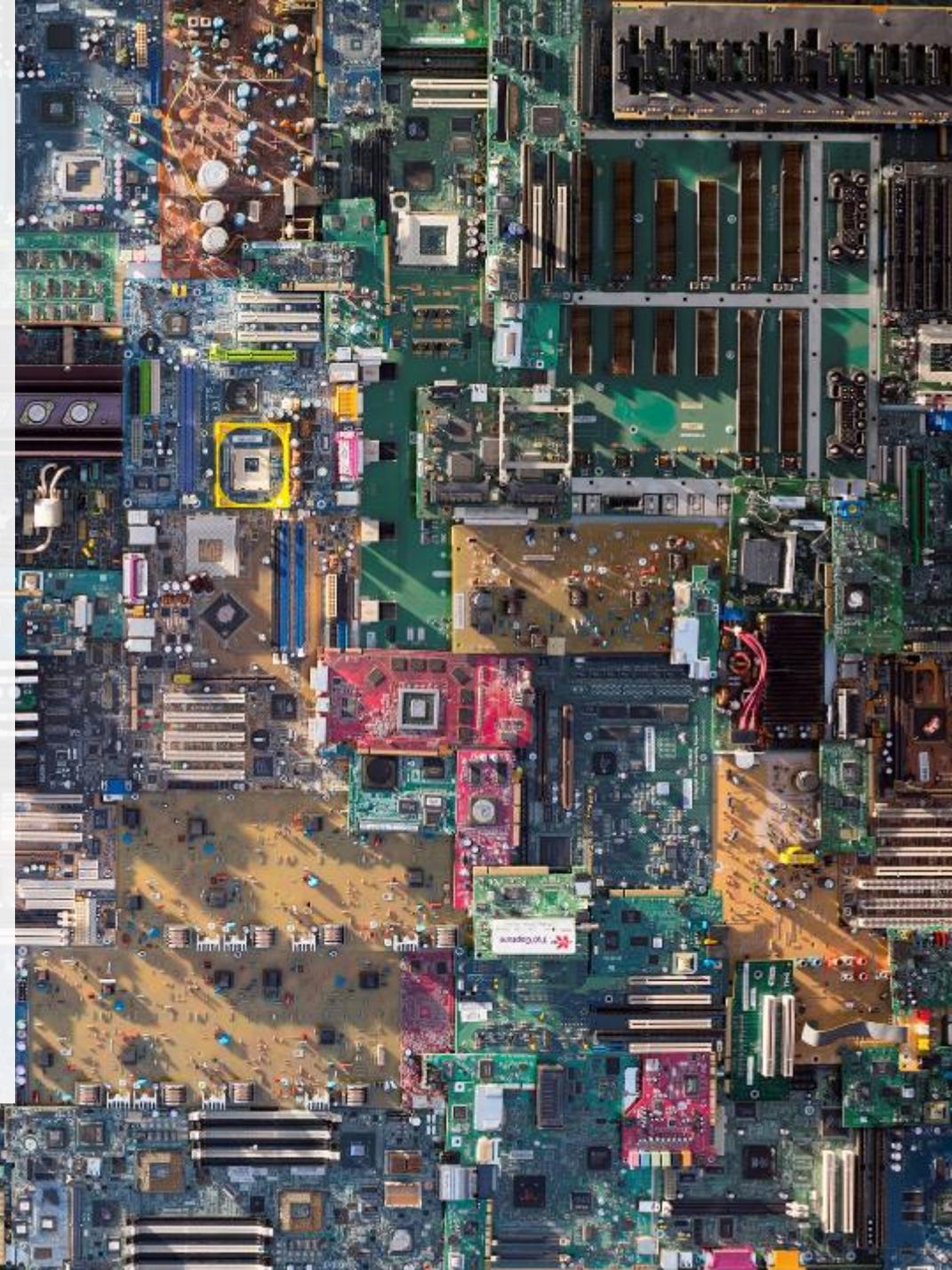


Understanding Ontario's New Electrical and Electronic Equipment (EEE) Regulation

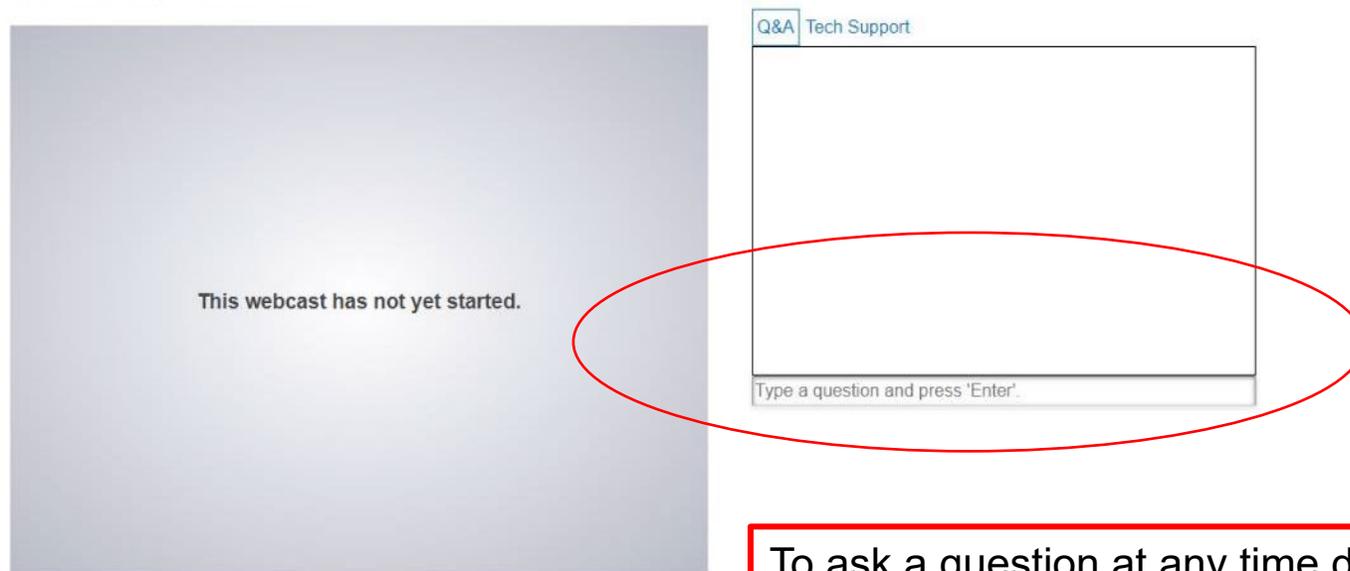
Presented by Pat Moran
October 8, 2020



RPPRA Resource Productivity
& Recovery Authority



How to ask a question



To ask a question at any time during the presentation or for technical assistance, type your question in the text box and press 'Enter.'

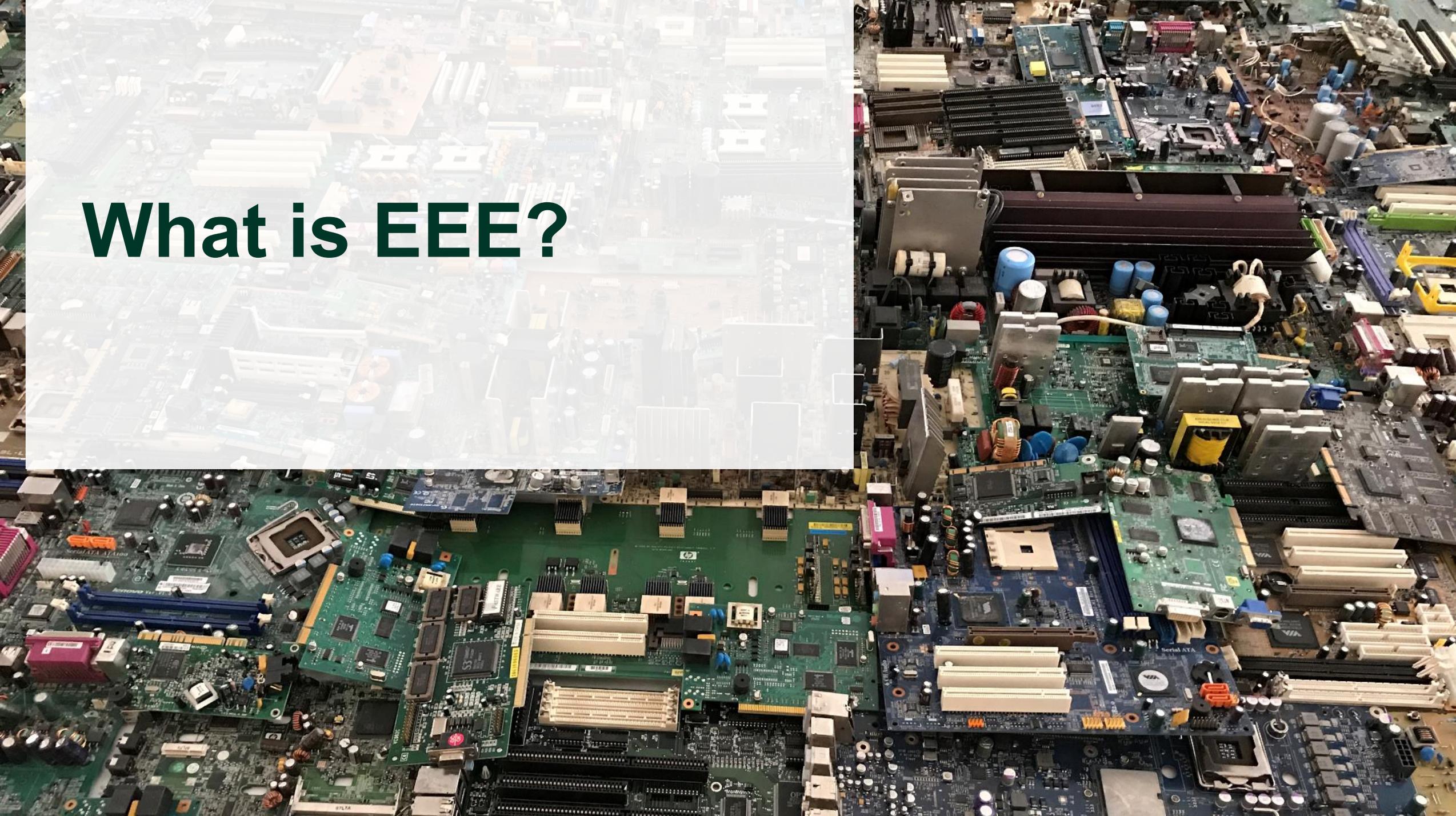
RPRA and COVID-19

- RPRA staff are working from home in response to the COVID-19 pandemic
- All of our services remain fully available:
 - Our Compliance Team remains available for anyone needing assistance
 - By email: registry@rpra.ca
 - By phone: (647) 496-0530 or toll-free at 1-833-600-0530
- Our website continues to be available with information on the EEE transition:
<https://rpra.ca/programs/electronics/>

Agenda

1. What is EEE?
2. ITT/AV producers
3. ITT/AV service providers and municipalities
4. Collection and management requirements
5. Registering and reporting
6. Relationships between key players





What is EEE?

What is changing?

- On December 31, 2020, the Waste Electrical and Electronic Equipment (WEEE) Program operated by Ontario Electronic Stewardship will end
- Starting January 1, 2021, producers of Electrical and Electronic Equipment (EEE) will be individually accountable and financially responsible for collecting and reusing, refurbishing or recycling their products when consumers discard them
- New system is based on individual producer responsibility (IPR) framework
- RPRA (the Authority) is the regulator responsible for enforcing the IPR requirements under the EEE Regulation, as well as the Tires Regulation and Batteries Regulation

What is EEE?

- **Electrical and Electronic Equipment (EEE) is equipment that is:**
 - designed for use with an electric current
 - has a voltage of less than 1,000 volts for alternating current and less than 1,500 volts for direct current
 - weighs no more than 250 kg
 - not intended to be used permanently as part of a building or structure
- EEE supplied into all sectors is obligated (e.g. residential, business, hospital, institutional, commercial, industrial)
- Includes batteries supplied with EEE (i.e. in packaging or in product)

Categories of EEE

There are two categories of obligated EEE:

1. Information Technology, Telecommunications and Audio Visual (ITT/AV)
2. Lighting

References to EEE mean both ITT/AV and lighting

Lighting will not be covered in this presentation

- Registration for lighting producers and service providers is on or before November 30, 2022
- First performance period for lighting is January 1, 2023 – December 31, 2023
- Further information will be provided prior to the initial registration and performance period

ITT/AV

- ITT/ AV has a primary purpose of collecting, storing, processing, presenting or communicating information, including sounds and images, recording or reproducing sounds and images (no more than 250kg)
- The following slides contain types of products that are included and excluded from the Regulation
 - They do not represent a complete list of products that are obligated
- Further information about whether a product is obligated can be found in our upcoming compliance bulletin “What is ITT/AV?”
 - Questions about specific products should be directed to the Compliance Team at 833-600-0530 or registry@rpra.ca

What is included? (Schedule 1)

- Computers
- Printers (desktop and floor-standing), including printer cartridges
- Video gaming devices
- Telephones, including cellular phones
- Display devices
- Radios and stereos, including after-market vehicle stereos
- Headphones
- Speakers
- Cameras, including security cameras
- Video recorders
- Drones with audio or visual recording equipment
- Peripherals and cables used to support the function of information technology, telecommunications and audio visual equipment, including charging equipment
- Parts of information technology, telecommunications and audio visual equipment sold separately, such as hard drives
- Handheld point-of-sale terminals or devices
- Musical instruments and audio recording equipment

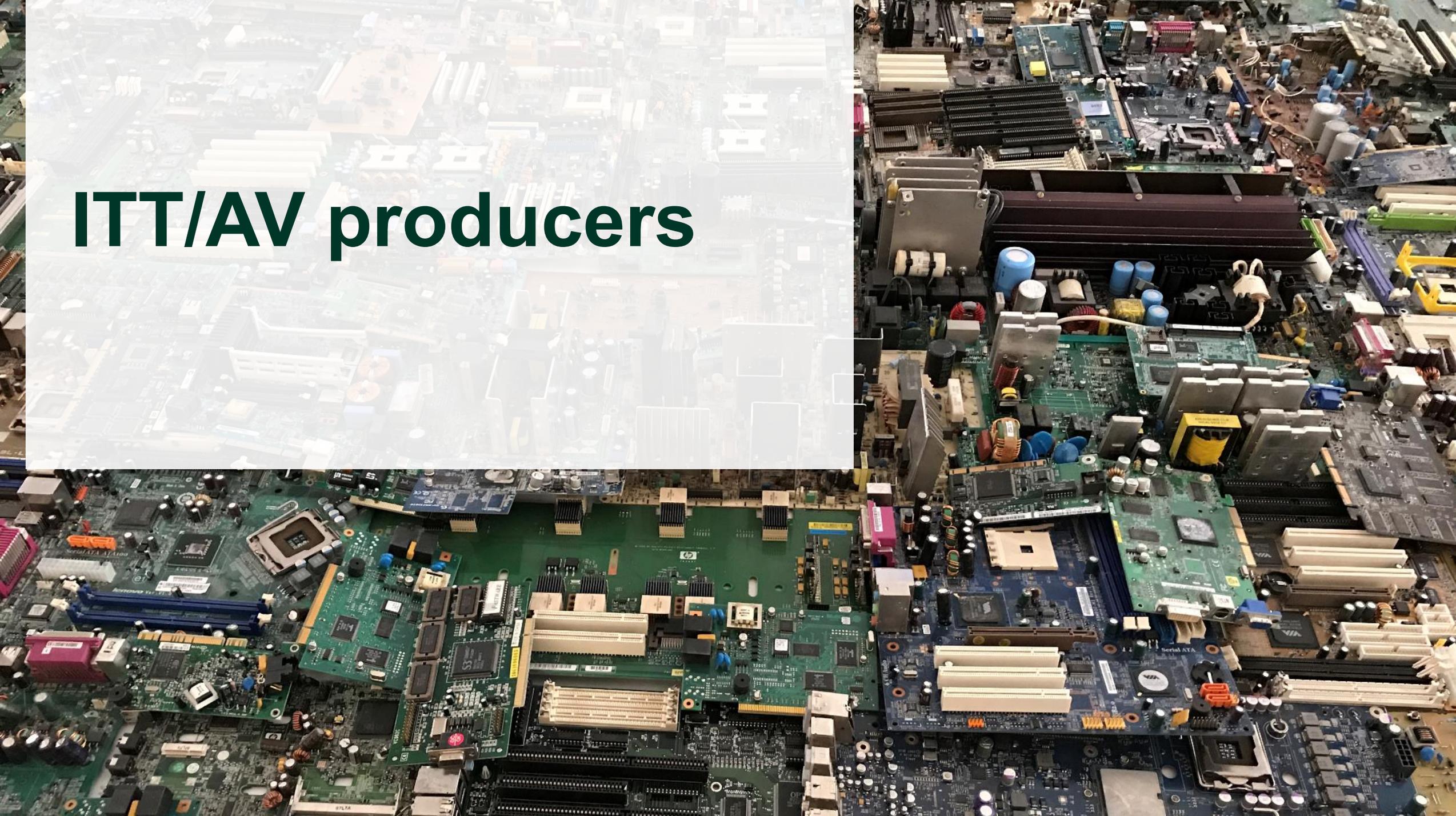
What is excluded? (s. 3 subsection 2)

- Cash registers, self-checkout machines and automated teller machines (ATMs)
- Streetlights and signal or lighting systems designed to control or manage the movement of vehicles or pedestrians
- Textiles, clothing, furniture or any other upholstered and stuffed articles containing EEE
- Motor vehicles
- Any product that is, or that is designed for use with, any marine, military, aeronautic or space equipment
- Any EEE that falls under the definition of “device” in section 2 of the Food and Drugs Act (Canada)
- Power tools
- Children’s toys

A gloved hand holds a black smartphone vertically in the center of the frame. The background is a large pile of discarded mobile phones and their components, including keyboards, screens, and casings, scattered on a dark surface. The lighting is dramatic, highlighting the textures of the gloves and the metallic parts of the phones.

Questions?

ITT/AV producers



Who is a producer?

A person is considered an ITT/AV producer if that person supplies ITT/AV into Ontario and is:

Brand holder
resident in
Canada (not just
Ontario)

If there are two brand holders, the producer is the person most directly connected to the production of the EEE

If no resident
brand holder, then
the importer
resident in Ontario

Resident in Ontario or Canada means having a permanent establishment as defined in the *Income Tax Regulations*

If no resident
importer, then the
person resident in
Ontario marketing
the EEE

If no resident
marketer, then the
non-resident
marketer

ITT/AV producer hierarchy is defined in Section 5 of the EEE Regulation.

Producer exemptions

- If, before any reductions to their supply data, the ITT/AV producer's management requirement is less than 3.5 tonnes they are exempt from the following:
 - Registering and reporting to the RPRA
 - Establishing a collection and management system and meeting a management requirement
 - Promotion and education requirements

Note: the management percentage changes over time, therefore producers will need to ensure that they continue to meet the exemption each year

- Even if a producer is not required to register with the Authority, they must retain records related to the weight of ITT/AV supplied into Ontario and provide them to the Authority upon request
- Producers are encouraged to confirm their exemption with the Compliance Team at 833-600-0530 or registry@rpra.ca

ITT/AV producer exemptions based on annual supply

Performance period	Formula to calculate management requirement	Exempt if management requirement is less than (tonnes)	Exempt if average annual supply less than (kg)
2021	2018 supply x 55%	3.5	6360
2022	(2018 supply and 2019 supply) ÷ 2 x 55%	3.5	6360
2023	(2018 supply + 2019 supply + 2020 supply) ÷ 3 x 60%	3.5	5830
2024	(2019 supply + 2020 supply + 2021 supply) ÷ 3 x 65%	3.5	5380
2025	(2020 supply + 2021 supply + 2022 supply) ÷ 3 x 70%	3.5	5000

What is a volunteer organization?

- A volunteer organization is a person who:
 - a) is an ITT/AV brand holder not resident in Canada;
 - b) has registered with the Authority; and
 - c) has entered into a written agreement with a producer in relation to one or more of the producer's responsibilities (e.g., register or report) – *this agreement does not need to be submitted to the RPRA; only an attestation stating the agreement exists and signed by both parties is required*
- A volunteer organization can take on the registration and reporting responsibilities (including performance reporting) for producers in relation to its brand of ITT/AV
- The obligated producer remains responsible for meeting the requirements set out in the Regulation (i.e. collection and management, P&E, record retention etc.)
- We will work with producers and potential volunteer organizations that want to pursue this arrangement

What is a producer agreement?

- Once a producer registers, they can enter into a written agreement with one or more people for those people to carry out all their requirements, responsibilities, activities and obligations under the Regulation, including supply data reporting and payment of fees.
- A producer is relieved from carrying out their requirements, responsibilities and activities provided the person they have an agreement with does everything a producer was required to do.
- However, the obligated producer remains responsible for meeting their requirements under the Regulation. Therefore if the person with which they have an agreement fails to meet the producer's obligations, the obligated producer will be out of compliance.



ITT/AV service providers and municipalities

Service providers

Haulers, processors, refurbishers, and producer responsibility organizations (PROs) are referred to as service providers

- An ITT/AV **hauler** is a person that arranges for the transport of ITT/AV that is destined for processing, reuse, refurbishing or disposal (i.e., not necessarily the person who physically transports)
- An ITT/AV **processor** is a person who processes ITT/AV for the purpose of resource recovery:
 - Must meet prescribed recycling efficiency rate, verified in accordance with our [Registry Procedure](#)
 - Must adhere to our [Registry Procedure](#) for resource recovery standards
- An ITT/AV **refurbisher** is a person who prepares or refurbishes ITT/AV for the purpose of reuse
 - Must adhere to our [Registry Procedure](#) for resource recovery standards
- There is no ITT/AV collector concept, but collection sites are defined for the purpose of producer collection system requirements

PROs

- A producer responsibility organization, or PRO, is any person retained by a producer to:
 - arrange the establishment or operation of an ITT/AV collection or management system (i.e. processing, hauling or refurbishing)
 - establish or operate an ITT/AV collection or management system (i.e. processing, hauling or refurbishing)
 - prepare and submit reports

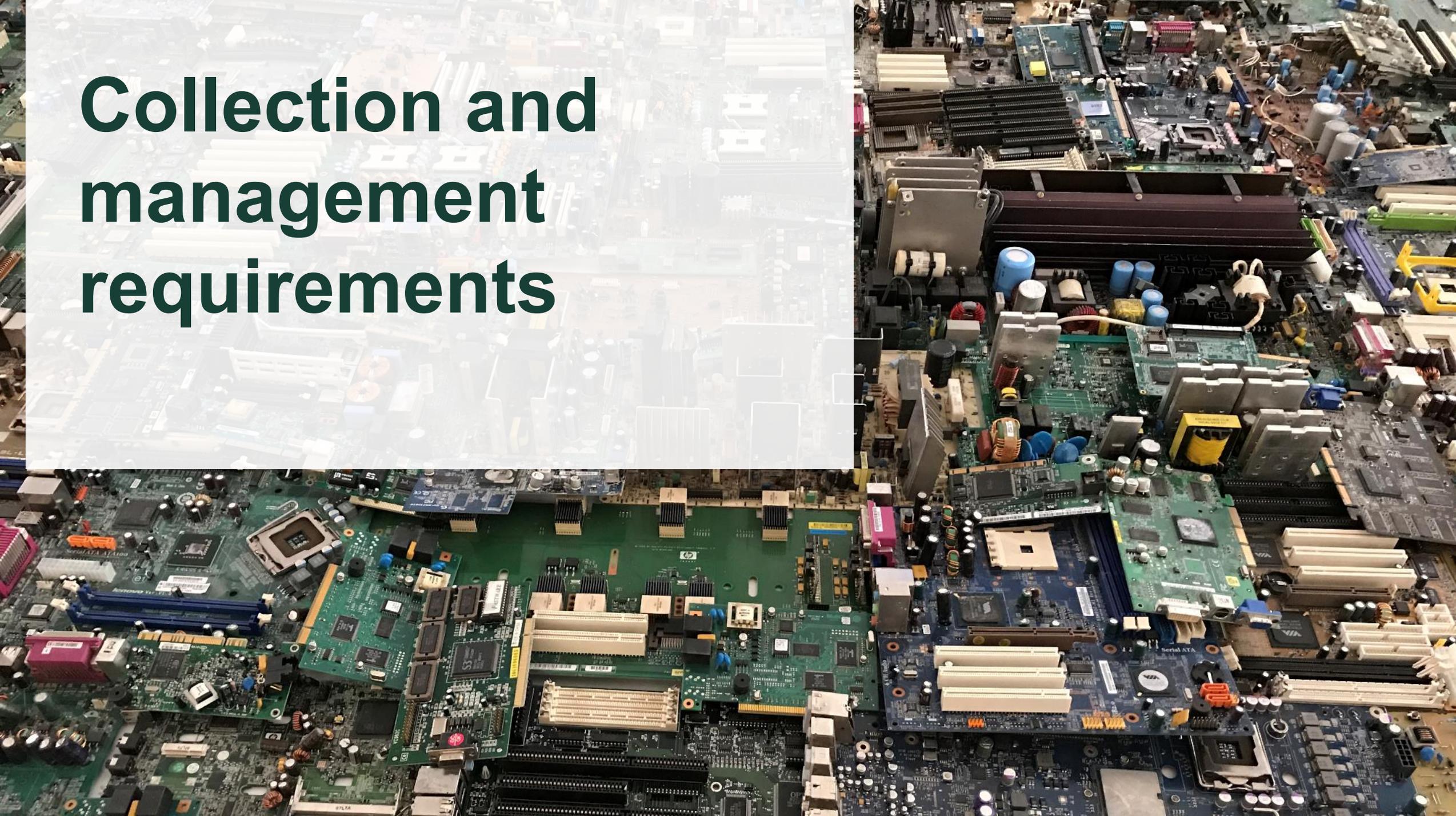
Information for municipalities

- A municipality can choose to operate a collection site for ITT/AV
 - No requirement to register with the Authority
 - You will want to enter into a contract with a PRO or producer to ensure that ITT/AV is collected from your site and to receive compensation for any costs associated for collecting materials
 - Collection Site Requirements will be discussed later in this presentation
- A municipality may meet the definition of a hauler
 - Does your municipality arrange for the transportation of ITT/AV that is destined for processing, reuse or disposal? If yes, you should register as a hauler.
 - Contact the Compliance Team for more information at 833-600-0530 or registry@rpra.ca

A gloved hand holds a black smartphone vertically in the center of the frame. The background is a large pile of discarded mobile phones and their components, including keyboards, screens, and casings, scattered on a dark surface. The lighting is dramatic, highlighting the textures of the gloves and the metallic parts of the phones.

Questions?

Collection and management requirements



Collection system requirements

- There are different management requirements for small and large ITT/AV producers:
 - A **small producer** is defined as someone who must manage more than 3.5 tonnes and less than 700 tonnes of ITT/AV
 - A **large producer** is defined as someone who must manage 700 tonnes or more of ITT/AV

ITT/AV collection system – large producers

- Starting January 1, 2021, obligated producers are required to establish and operate a collection system for ITT/AV
- Collection sites can be shared by producers

Municipality with population greater than 1,000 and less than 500,000	Municipality with population greater than 500,000	Territorial district with population greater than 1000
At least one ITT/AV collection site for every 15,000 people or portion thereof	At least 34 ITT/AV collection sites for the first 500,000, and at least one ITT/AV collection site for every 50,000 people, or portion thereof, for the portion that surpasses 500,000	At least one ITT/AV collection site

- Sites in municipalities or territorial districts with populations less than 1000, Crown sites and First Nations can contact a PRO or a large producer for an ITT/AV pick-up once they have collected more than four tonnes of ITT/AV

ITT/AV collection system – small producers

- Small producers must establish one of the following collection systems for ITT/AV:
 - In each municipality in which the producer has retail locations, the number of collection sites must be equal to or greater than 75% of the number of retail locations that market the producer’s ITT/AV in the municipality;
- OR
- Same as large producers, with the number of required sites determined by the population in the municipality or territorial district

No. of retail locations	No. of collection sites required
1	1
2	2
3	3
4	3
5	4
6	5
7	6
8	6
9	7
10	8

ITT/AV collection system – site requirements

- Producers must ensure that consumers can drop off ITT/AV free of charge at each site that is part of their collection system and must satisfy the following requirements:
 - If the collection site is not part of a retail location, it must accept all ITT/AV.
 - If the collection site is part of a retail location, the site must accept, at a minimum, all ITT/AV that are of a similar size and function and fall into the category of ITT/AV supplied by the producer at that location.
 - The collection site must be readily accessible to the public and must be operated and accept ITT/AV during normal business hours throughout the performance period.
 - The collection site must accept, at a minimum, up to 50 kg of ITT/AV per day from any person.
 - If the collection site is not part of a retail location and the collection site accepts more than 50 kg of ITT/AV from a person on a single day, the operator of the site shall record the person's name, contact information and the weight of ITT/AV accepted.

Decreasing collection site requirements

- Producers can reduce their collection site requirements by providing the following options:
 1. **Curbside collection:** A producer may reduce the number of collection sites required in a municipality or territorial district by the percentage of residences in the municipality or territorial district from which the producer collects ITT/AV, at least four times per year (adequate collection containers must be provided at no charge)
 2. **Mailback program:** A producer may reduce the number of collection sites in a municipality or territorial district by the percentage of ITT/AV that the producer supplied in Ontario that allowed consumers to return used ITT/AV in the manner they were supplied or by mail at no charge to the consumer
 3. **Events:** A producer may replace the number of collection sites required in a municipality by the number of events held, up to a maximum of 25%, provided each event is at least four hours and accepts all ITT/AV
- Regardless of the reductions, there must be at least one site or one event in every municipality and territorial district with 1,000 people or more.

Producers – management requirement (resource recovery)

- Starting January 1, 2021, every producer shall establish and operate a system for managing used ITT/AV
- Producers must ensure that all ITT/AV picked up from a collection site, regardless of whether it is part of the producer's collection system, is managed (reused, refurbished or processed) within three months of the pickup date
- Managed means reused, refurbished or processed (i.e. is now a recovered resource)
- Recovered resources are:
 - materials used or destined to be used by a person for the making of new products or packaging;
 - materials used to enrich soil;
 - glass used as aggregate (up to a 15% max);
 - aggregate for batteries (up to a 15% max).
- The weight of the recovered resources may only count once, and the following cannot be used to satisfy the management requirements under the EEE Regulation:
 - aggregate over the allowed limits;
 - materials that are land disposed, incinerated or used as fuel or a fuel supplement; and
 - materials that are stored, stockpiled, used as a daily landfill cover or otherwise deposited on land (unless to enrich soil or as aggregate within allowable limits).
- The weight of recovered resources may be counted as two times its actual weight, if the producer utilizes the services of a refurbisher who is located inside Ontario (s.17)

Recycling Efficiency Rate (RER)

- “recycling efficiency rate” (RER) means the ratio of the weight of resources recovered from ITT/AV received by an ITT/AV processor, to the weight of ITT/AV received by that ITT/AV processor
 - Batteries recovered under ITT/AV **count** towards ITT/AV performance (not battery performance), but **cannot** be included in an ITT/AV processor’s RER – they are counted toward the battery processor’s RER
- Beginning in 2023, producers can only use an ITT/AV processor, for the purposes of meeting their management requirement, that is registered and has at least 80% RER for ITT/AV
- The verification of RER is conducted in accordance with RPRA’s Registry Procedure
- First reporting of a verified RER is for calendar year 2021, to be reported by April 30, 2022

Promotion and education

- From January 1, 2021 to December 31, 2022, producers, at a minimum need to:
 - Make reasonable efforts to raise public awareness of the producer's efforts to collect, reduce, reuse, recycle and recover ITT/AV and to encourage public participation in those efforts
 - Publish and clearly displaying the following information on their website
 - The location of each collection site that is part of the producer's collection system, where consumers may return the ITT/AV at no charge – *this can be done by linking to this information on another website*
 - A description of any collection services provided by the producer that are available other than at a collection site
 - A description of the resource recovery activities engaged in by the producer in the course of managing the ITT/AV

A gloved hand holding a black smartphone over a pile of discarded mobile phones. The background is filled with various old mobile phones, some disassembled, suggesting a recycling or disposal process. The text "Questions?" is overlaid in white on the phone being held.

Questions?

Registration and reporting



Service provider registration

- ITT/AV processors and haulers must register on or before November 30, 2020
- ITT/AV refurbishers must register on or before November 30, 2020 if they processed more than 10 tonnes of ITT/AV in 2019
- Haulers, processors and refurbishers will register with a PDF form
 - Complete the form on [our website](#) and email it as an attachment to registry@rpra.ca
 - If you are unsure if you are an ITT/AV hauler, refurbisher or processor under the EEE Regulation, contact the Compliance Team at 833-600-0530 or registry@rpra.ca
- PROs must register with the Authority within 30 days of being retained by an ITT/AV producer, however, you are encouraged to contact the Authority as soon as possible if you're interested in becoming a PRO
- Collectors of ITT/AV, including operators of sites where EEE waste is generated, are not required to register with the Authority

How to register as a producer

- Register on or before November 30, 2020
 - Collection and management requirements begin January 1, 2021
- Contact our Compliance Team if:
 - You are a steward in the OES program
 - You believe you meet the criteria of a producer under the EEE Regulation
- Registration will take place using a spreadsheet-based form and include:
 - Name, contact information, authority to bind
 - The weight of ITT/AV supplied in 2018
 - Information regarding reduction in management requirements (see next slide)
- Producers will be required to pay a Registry fee as part of the registration process

Reduction in management requirements

- Producers can reduce their supply data (and in turn their management requirement) if they meet the following conditions:
 - Producers that use recycled content (glass or plastic only) in their products can reduce their supply data by the same amount (e.g. 2% post-consumer recycled plastic by weight in ITT/AV supplied in 2020 means a 2% supply weight reduction for that year)
 - Producers that offer a warranty, at no additional charge, to support the ongoing functionality of their equipment for at least one year beyond the first year after purchase date can reduce the ITT/AV supply weight covered by that warranty by 5% in each year that warranty is in place in each year that warranty is provided beyond the first year after purchase
 - For the weight of supplied products for which repair is available, a producer can reduce that weight by 10% in each year that the repair is available for that supplied weight
 - Must be at no charge to obtain information and at no more than cost recovery for tools or parts
- Producers can reduce their management requirement up to a cumulative maximum of 50% and it must be verified in accordance with RPRA's Registry Procedure

How to determine ITT/AV supply data

- To determine how many ITT/AV (units) producers supplied into Ontario, they can:
 1. Use actual units, or
 2. A formula based on Ontario population in relation to national sales as set out in the Registry Procedure
- To determine the weight of the ITT/AV units supplied, they can:
 1. Use actual weight
 2. Use the weight conversion calculator as set out in the Registry Procedure
 - Producers can determine the weight of ITT/AV by subtracting a packaging factor
- Producers may also bring forward their own methodology for the Registrar to review

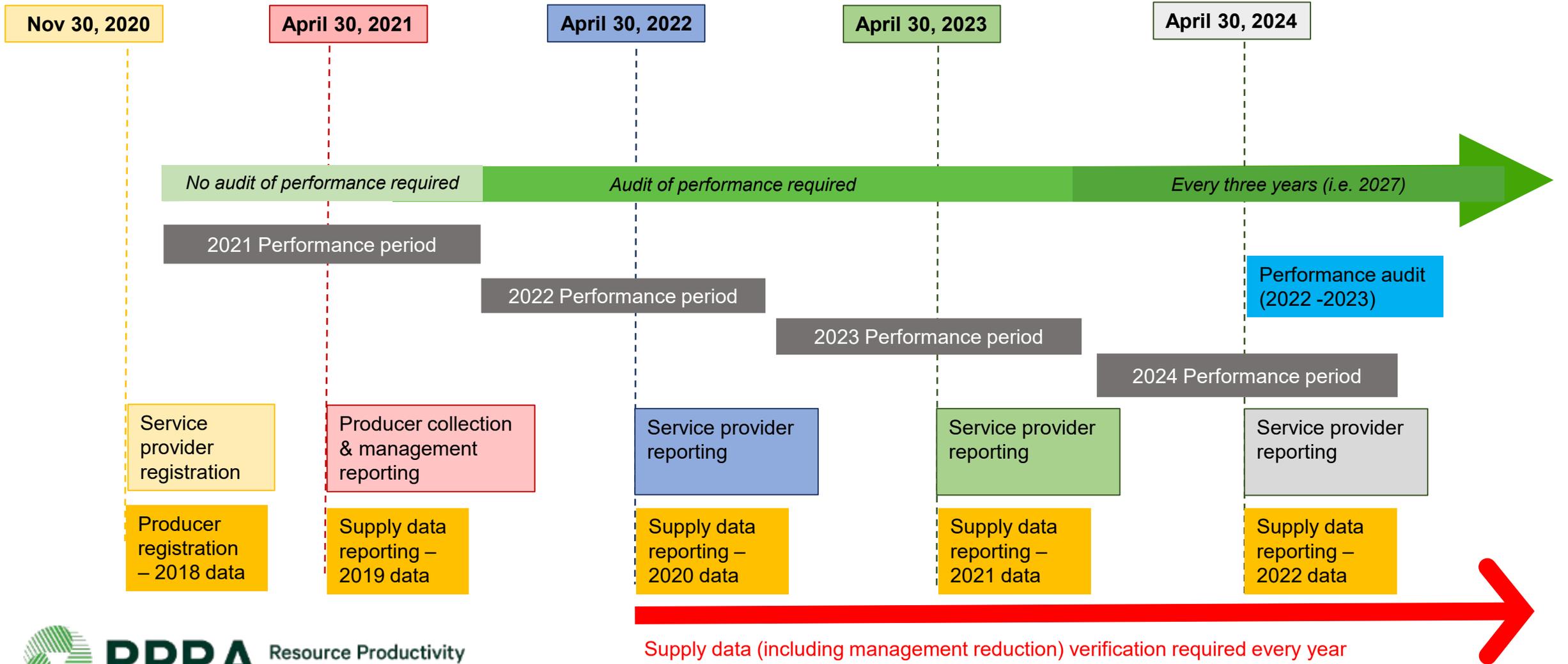
Performance periods

The first performance period for used ITT/AV management is from January 1, 2021 to December 31, 2021 and subsequent calendar years

ITT/AV

Performance Period	Management Requirement	Calculation
2021	Best efforts – 55%	2018×0.55
2022	Best efforts – 55%	$[(2018 + 2019) / 2 \times 0.55]$
2023	60%	$[(2018 + 2019 + 2020) / 3 \times 0.6]$
2024	65%	$[(2019 + 2020 + 2021) / 3 \times 0.65]$
2025	70%	$[(2020 + 2021 + 2022) / 3 \times 0.7]$
And so on		

Performance periods



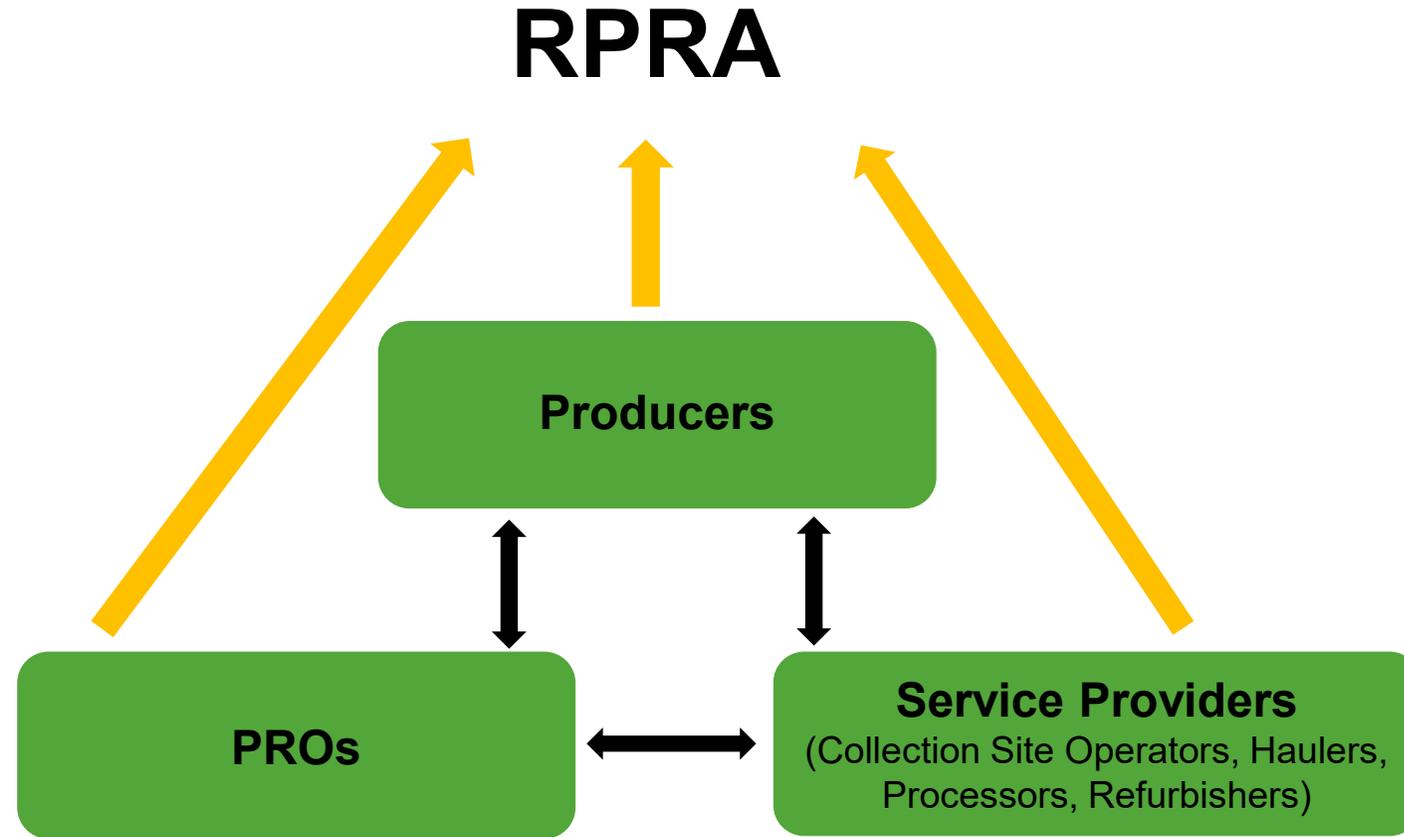
A gloved hand holding a black smartphone over a pile of old mobile phones. The background is filled with various models of old mobile phones, some disassembled, suggesting a recycling or repair facility. The text "Questions?" is overlaid in white on the smartphone screen.

Questions?

Relationships between key players



Relationships in the new EEE program

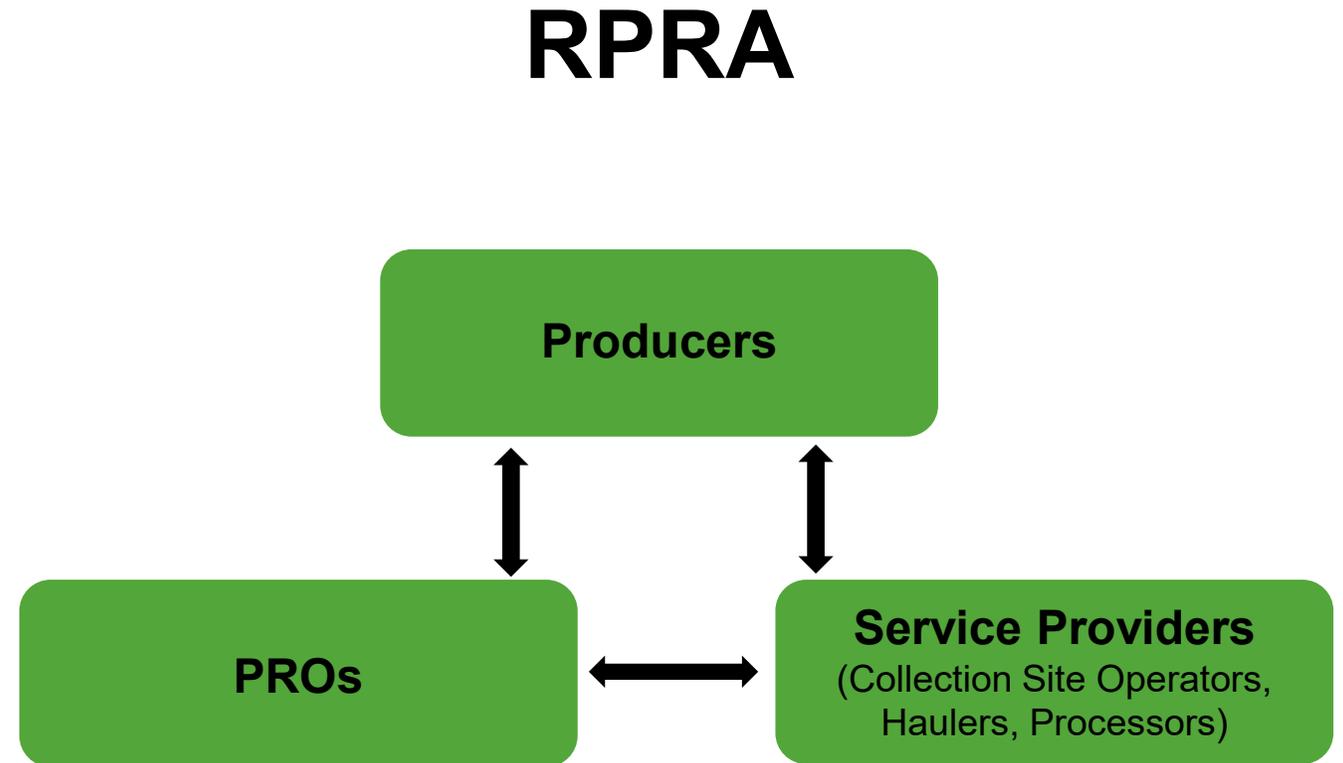


Contractual relationships between key players

- Key players in the marketplace are producers, PROs and service providers
 - Contractual relationships are between the key players – it is a market-based process
- Producers will look at what's available to them in the marketplace and the PROs and service providers will compete for that business
 - Given the number of PROs and other service providers operating in the marketplace, producers have options and should consider which PRO or service provider best meets their needs
- PROs will enter into contractual relationships with collection site operators, haulers, refurbishers and processors to meet producers' obligations
 - Requirements associated with safety, transportation and how payment will be issued should be addressed in the individual contracts
- Commercial arrangements can also exist between service providers
- For ITT/AV to count towards a producer's collection and management requirement, producers should only contract with service providers and PROs registered with the Authority

Relationship between key players and the Authority

- The Authority is not involved in the contractual relationships between service providers
 - The Authority does not administer, review or oversee contracts
 - The Authority does not provide any sort of incentives/payments (e.g. transporting or processing)
 - This is intended to be a competitive market to be used by producers to meet the required performance outcomes under the EEE Regulation



Working with PROs and other service providers

- Producers will likely contract the services of PROs or other service providers to meet their obligations under the regulation
- A PRO can submit the following performance information to the Registry (annual performance report) on a producer's behalf:
 - The collection sites that make up the producer's ITT/AV collection system
 - The refurbishers and processors that make up the producer's ITT/AV management system
 - The weight of ITT/AV recycled and refurbished to meet the producer's performance requirement

Do you need a PRO or other service providers?

- As a producer, you may have mandatory collection and management requirements
- You can choose to:
 - meet these management requirements yourself;
 - hire a PRO to do it for you, or
 - contract directly with haulers, refurbishers and processors
- Do you need a PRO?
 - Unless you fall under the producer exemption, you will likely need the services of a PRO, unless you make your own arrangements for recycling or refurbishing used batteries
- Regardless of whether you retain service providers to meet your management requirements, you are always legally responsible for meeting those requirements
- Make sure you build in audit and verification requirements into your contract with your service providers

When do you need to find a PRO or other service providers?

- If you plan to use a PRO or other service providers to meet your producer responsibilities, you should make those commercial arrangements as soon as possible
- While there are no explicit deadlines for retaining a PRO, you should give yourself sufficient time to arrange for the collection and management of ITT/AV (whether on your own or with service providers) so you can meet your collection and management requirements, which begin **January 1, 2021**
- Registration for service providers and PROs is underway. We will add lists of registrants to our [Electronics web page](#) as they register with us.
- Four PROs are now registered with the Authority:

Name	Phone Number	Email	Website
COM2 Recycling Solutions	905-670-3040	nazim@com2recycling.com	https://www.com2recycling.com/
Electronic Products Recycling Association	888-567-4535	rep@epra.ca	https://epra.ca/
Reverse Logistics Group Americas, Inc.	888-298-3061	ontario@rlgamericas.com	https://www.rlgamericas.com/
Ryse Solutions Inc.	905-330-9206	info@ryseinc.ca	https://ryseinc.ca/

A gloved hand holds a black smartphone vertically in the center of the frame. The background is a large pile of discarded mobile phones and their components, including keyboards, screens, and casings, scattered on a dark surface. The lighting is dramatic, highlighting the textures of the gloves and the metallic parts of the phones.

Questions?

Have more questions?

- Send questions to our Compliance Team at registry@rpra.ca or call us at:
 - (647) 496-0530 or
 - toll free at (833) 600-0530
- Visit our website for more information <https://rpra.ca/programs/electronics/>
- Stay tuned for future learning events

