

**Draft for Discussion**

**Stewardship Regulation Guidelines  
For Industry Stewards**

**Regarding the Tire Stewardship  
Regulation**

**Green Manitoba**

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# STEWARDSHIP REGULATION GUIDELINES FOR INDUSTRY STEWARDS

## Introduction

This guide provides information to help tire stewards develop a tire stewardship program under the proposed Tire Stewardship Regulation to be enacted under *The Waste Reduction and Prevention Act* (WRAP). The document was prepared by Green Manitoba to help industry stewards and other stakeholders understand the requirements of the regulation and clarify stakeholder roles and responsibilities. It will provide guidance on performance and operational and reporting expectations of programs for managing scrap tires and tubes in Manitoba.

This guide has two parts:

- I. **Understanding Tire Stewardship in Manitoba** – general questions and answers to provide better understanding of the regulations and process for developing a stewardship plan
- II. **Guidelines for Specific Program Requirements** – specific program requirements established by Manitoba intended to instruct and assist industry stewards in developing, implementing and operating a stewardship program

Additional reference material is also included. This draft guide is a starting point for discussion with product stewards and stakeholders. The guidelines will be formally adopted as part of the tire stewardship regulatory proposal. Additional public comment will be received through a formal consultation process.

## Background

Green Manitoba is a new delivery agency of government that promotes waste reduction and the efficient use of water and energy. Working in co-operation with Manitoba Conservation, product stewards, municipalities, environmental and consumer groups, Green Manitoba is changing Manitoba's product stewardship to a regulated steward responsibility approach. This means companies that produce or distribute these products (stewards) in Manitoba will be responsible for developing programs to manage designated waste materials.

The regulatory framework under Manitoba's WRAP act is intended to:

- reduce the amount of waste disposed in Manitoba
- build on the success of current stewardship programs
- establish broad-based programs that are economically and environmentally sustainable
- provide more flexibility for industry stewards to establish program funding arrangements including setting program fees and revenues
- reduce government's direct involvement in program design and management
- reinforce the links between product design and environmental protection

## **PART I - UNDERSTANDING TIRE STEWARDSHIP IN MANITOBA**

The following questions and answers will help stewards understand their obligations under the regulation. Actual obligations are described in the regulation and Part II of these guidelines. Please consult these sources to ensure compliance.

### **1. What is extended producer responsibility (EPR)?**

- EPR programs conserve resources and reduce the amount of waste going to landfill.
- In EPR programs, the costs of managing designated waste materials are transferred from the municipal tax base to the producers and users of these products. This is consistent with current national and international approaches.
- Industry stewards have responsibility for the design and operation of EPR programs.
- Manitoba's WRAP act (1990) provides the legislative framework for introducing expanded producer (product steward) responsibilities.
- Where practical and feasible, programs should be harmonized with other jurisdictions for more consistent industry steward responsibilities and operations.

### **2. Who is a product steward in Manitoba?**

- A steward is the first person who, in the course of business in Manitoba, supplies a designated material to another person or uses a tire obtained outside of Manitoba.
- The steward is sometimes referred to as the first seller or first importer of a product. This may include a brand owner, producer, manufacturer, distributor, retailer or a business that imports tires for its own use.

### **3. What definition of tire does Manitoba use?**

- Any tire that is made for use on the wheels of a powered vehicle or a trailer, including tire tubes made for use inside tires, is included in the program. This means all tires sold, whether intended for use on licensed vehicles or for off-road purposes –including tires for airplanes, agriculture, mining or construction equipment – must be part of a stewardship plan. Tires for wheelchairs, medical devices and bicycles are exempt.

### **4. What are the obligations of product stewards in Manitoba?**

- A steward must demonstrate participation in an approved tire stewardship program in order to sell, distribute, offer for sale or supply by lease or rental, the designated material in Manitoba.

### **5. Do stewards need a business plan?**

- Yes, a business plan, or stewardship plan, will be needed. Stewards who want to sell tires in Manitoba or who bring tires into the province for their own use, will have to either provide a plan to the Manitoba Conservation or subscribe to a plan for managing scrap tires.

- The steward is responsible for having an approved stewardship plan in place. Stewards may join other stewards in operating a stewardship corporation or Industry Funding Organization (IFO) collectively under a single stewardship plan.

**6. What is an operator of an approved plan responsible for?**

- The operator of an approved plan can act on behalf of stewards to carry out duties that include the preparation and implementation of the steward's stewardship plan.
- The operator of an approved plan may represent more than one steward. This provides an administrative structure for managing the mutual obligations of a co-operative group of producers, including preparing and implementing a collective stewardship plan.
- The governance structure, operational systems and revenue structures of an approved program are developed by the steward.
- Stewards may consider multi-stakeholder representation on the board of directors of the program, such as consumer and environmental groups, local governments, to represent the views of other partners in the stewardship program.
- Stewards must ensure ongoing communication with stakeholders and the public about the achievements of the program and for feedback on improvements to program operation.

**7. Do programs need to be province-wide?**

- A program operator must implement a province-wide management plan. A phased approach may be considered.
- Proponents are encouraged to design an efficient province-wide collection system specific to each designated material and consult with program partners.
- A province-wide program may be adapted at the local level to suit different regional waste needs.

**8. How is stewardship program funded?**

- Applicants are responsible for determining material management methods and how the affected industry and potential program partners will bear the costs, or fund the program, subject to approval of government.
- The cost of the stewardship program is the responsibility of the stewards and users of the product or packaging.
- Stewardship programs must be both economically and environmentally sustainable.
- Fees required to support the program will be set and collected from product stewards.
- Funds raised will be directly related to the costs of managing that designated material or product category.
- Program operators must submit an independently audited financial statement showing all revenues and expenditures as part of the annual report.
- Transparency of program operations will be provided through industry proposals, business plans and annual reports which will be available to all stakeholders.

- Operators will undertake broad consultations on business plan proposals prior to submission of those proposals.

**9. Do stewards need to consult with the public?**

- Stewards will ensure their decisions and activities include ways to inform those affected by decisions and actions. Stewards will provide opportunity for public consultation and due process, including the release of important information. Where applicable, collaborative decision-making, consensus building and alternative dispute resolution processes will apply.

**10. When is a plan submitted?**

- Green Manitoba will consult with the steward(s) about when plans must be submitted and the date when the program must be implemented.
- Approval of a stewardship plan will be for a period of up to five years.
- An expiry date will be in the letter of approval. The steward must review the existing plan and submit an updated plan at least 60 days before the plan expiry date.

**11. What if a plan has not been submitted or approved?**

- If a steward does not have an approved plan, or has not submitted a plan, a steward cannot sell the designated product in Manitoba.

**12. How is a plan suspended or cancelled?**

- The Conservation Minister will notify the steward of a suspended or cancelled plan. The steward may not operate the program until all requirements for reinstatement set by the minister are met.

**13. How is a plan amended?**

- Plan amendments must be forwarded to the minister for approval before the operator proceeds with the change.

**14. How is a plan implemented?**

- The program operator must implement and operate the program in accordance with the intent of the stewardship plan.
- Key stakeholder groups, proposed as partners in the stewardship program, must be aware of their responsibilities in the plan.

**15. How are the performance measures and targets for the program set?**

- Stewards will propose targets and performance measures after consulting with stakeholders. Acceptable targets and performance measures will be confirmed by the minister.

**16. What is the role of the provincial government?**

- The Province of Manitoba enacts and enforces regulations to ensure a level playing field among stewards.

- Targets will also be established as part of program-specific criteria to monitor program performance and approve business plans.
- Government promotes the principles of pollution prevention established by the Canadian Council of Ministers of the Environment (CCME) and the 4-R hierarchy of reduce, reuse, recycle and recover.
- Government may establish specific guidelines and management principles for each designated material.

### **17. What is the role of Green Manitoba?**

- Green Manitoba works to:
  - reduce inefficient consumption of resources
  - reduce greenhouse gas production associated with climate change
  - protect and enhance Manitoba's diverse green environment
  - help create clean, safe, vibrant communities
  - promote new ways of doing things that will achieve environmental, economic and social objectives simultaneously
  - improve the overall quality of life in Manitoba
- Green Manitoba promotes the development of effective and efficient management programs for designated waste streams that will:
  - protect Manitoba's environment
  - fairly allocate the costs of managing these materials
  - ensure these programs are both economically and environmentally sustainable
  - foster innovation and economic growth
- Green Manitoba will review business plans and recommend approval. It will provide ongoing help to stewards and other stakeholders about the requirements of the regulation and will monitor program compliance.

### **18. What is the role of local governments?**

- Local governments may choose to become service providers to stewards by providing collection services, space, landfill or other local sites for product collection or processing.
- Local governments may also participate in the program by:
  - helping inform the public that the stewardship program is available
  - helping with collection
  - imposing bans on the landfilling of the relevant products when appropriate

### **19. What is the role of retailers?**

- Retailers are an important component of a stewardship program and are required to provide point-of-sale information on the stewardship program. Where appropriate, the role of retailers will be clarified in the stewardship plan.

### **20. What is the role of consumers?**

- Consumers will participate in stewardship programs approved for the post-consumer management of tires.

## **PART II - GUIDELINES FOR SPECIFIC PROGRAM REQUIREMENTS**

Section 19 of the regulation allows the minister to establish written guidelines to set additional requirements for the tire stewardship program and its operation. The minister can also establish guidelines for the management of scrap tires, or issue guidelines that set criteria for program performance evaluation or address any other matter provided for under the regulation.

The program requirements and plan evaluation criteria for tires are:

### **A. STEWARDSHIP PLAN**

- Stewards are required to submit a business plan/proposal for approval by the minister. The following program requirements must be included in any proposed stewardship plans. Additional instructions pertaining to the requirements of the stewardship plan and program are provided in sections B through H.
- A plan for a tire stewardship program shall include provision for:
  1. the establishment and administration of a waste reduction and prevention program for tires
  2. the appropriate management of scrap tires according to any written guidelines established by the minister
  3. a province-wide, convenient collection system for scrap tires without user fees
  4. a system for the payment of expenses incurred in the collection, transportation, storage, processing and disposal of scrap tires in connection with the waste reduction and prevention program
  5. the orderly collection of revenue from program subscribers relative to with expenses for the program
  6. the establishment and administration of education activities for the program
  7. the establishment and administration of a point-of-sale information for the program
  8. the payment of salaries and other costs for the administration and enforcement of this regulation and the act as it relates to tires

9. ongoing consultations with people the program may affect, including members of the public, in accordance with any consultation guidelines the minister may establish
- The plan may also deal with research and development, training and education activities, as well as activities related to waste reduction or pollution prevention.
  - In addition to these provisions, the minister may provide additional program guidance.
  - For the purpose of plan evaluation, proposed plans shall demonstrate how:
    1. the stewards and users of the product or packaging will bear the cost of managing designated waste materials, rather than the taxpayer
    2. the management of these materials is economically and environmentally sustainable
    3. product stewards determined how these materials are managed and how the affected industry and potential program partners will bear these costs
    4. how fees, if any, will be set and collected by an approved not-for-profit IFO established for that purpose
    5. a public awareness and education program will be undertaken
    6. the operator provides a province-wide convenient collection system to the public
    7. the product stewardship program in Manitoba is harmonized with those of other provinces, where practical and feasible
    8. funds raised for the management of a material or product will relate to the costs of managing that designated material or product
    9. the transparency of program operations is provided through the development of industry proposals, business plans and annual reports which will be available to all stakeholders
    10. the operator undertook broad consultations on business plan proposals before submitting proposals to government
    11. how the operator will conform to regulation requirements to ensure a level playing field among stewards responsible for a designated waste stream



12. how the operator will meet government-established targets as part of program-specific criteria and program performance monitoring
13. the program will adhere to the principles of pollution prevention and the 4Rs for the designated material
14. how stakeholder disputes will be resolved
15. how the operator will meet designated material recovery rate targets established by the minister.
16. how the performance of the program will be measured

## **B. PUBLIC CONSULTATION PROCESS FOR TIRES**

- Stewards shall:
  - a. ensure that stewardship program decisions and activities include processes or measures for informing those affected by decisions and actions in a timely manner
  - b. provide opportunity for public consultation and due process, including the timely release of pertinent information and, where applicable, employ collaborative decision-making, consensus building and alternative dispute resolution processes
- Stewards shall seek input at strategic points (development and amendment of business plan, annual reporting and continuous review of operations) from:
  - a. government
  - b. client groups
  - c. service delivery agencies
  - d. relevant external agencies
  - e. the public
- Prior to submitting its business plan to the minister, the applicant is required to consult with affected stakeholders and the public. To do this stewards shall
  - a. at the outset of any business plan consultation, identify:
    - i. who they are expected to consult with
    - ii. the purpose of the consultation
    - iii. how they will conduct the consultation
  - b. seek input from those who:
    - i. can confirm the applicant's position related to the business plan proposal desired outcome
    - ii. will be affected by the proposed outcome
    - iii. have a mandate or responsibility in an inter-related program area
    - iv. are expected to implement the proposal

- v. are expected to bear the cost of implementing the proposal
  - vi. have expertise in the policy/program question
  - iv. can help contribute to developing the performance measurement and evaluation plan for the proposal
- In its business plan proposal, identify to the minister:
    - a. who has been consulted in the process of developing and evaluating the plan and/or proposal options
    - b. any objections and concerns raised by those consulted
    - c. endorsement of proposed responsibilities by program partners

### **C. DESIGN OF AN ADEQUATE COLLECTION SYSTEM**

- The stewardship plan will adequately provide for collecting and managing scrap tires and tubes.
- To suit different regional and sector needs, stewards may partner with existing collection systems established by other stewards or IFO for other products.
- Consultation with local governments is recommended to determine the most effective collection system for that community.
- The collection system design should consider, and prioritize, the degree of hazard presented by the product.
- The plan will adequately provide free consumer access to collection facilities. Consumers will not be charged by stewardship agencies or their service providers for scrap tire and tube disposal at collection facilities.

### **D. ACHIEVING DESIGNATED MATERIAL RECOVERY RATE**

- The minister will choose targets that are ambitious, yet achievable, as minimum performance targets for all products.
- All stewards are expected to commit to continuous improvement in program performance. If the annual reported recovery rate is higher than that set by the minister, the higher rate provides the baseline for subsequent years.
- The minister may establish other performance requirements that may include targets and baselines.

### **E. ESTABLISHING APPROPRIATE PERFORMANCE MEASURES**

- Stewards can propose appropriate performance measures for the program in the plan submitted for approval. The measure(s) must be able to show both what is – and is not – recovered.
- The minister may specify one or more performance measures, or targets, in approving the plan.

- A steward may include any type of performance measures or targets in the plan, in addition to including any required by the minister.
- Examples of performance measures by stewards, especially producers of consumable products, include, but are not limited to:
  - a. sales and recovery data
  - b. municipal waste composition study results, funded by producers
  - c. periodic surveys of public awareness of the program and use of the collection system
  - d. the amount of scrap tires and tubes collected by service providers
  - e. number of collection points
  - f. proportion of product to be managed, according to the principles of pollution prevention and 4R hierarchy

## **F. DISPUTE RESOLUTION PROCEDURE**

- A plan will adequately provide for a dispute resolution procedure to allow fairness, transparency and unbiased independent processes when stakeholder or public interests may be affected.

## **G. ANNUAL REPORT**

- Section 16(1) of the Tire Stewardship Regulation requires program operators to submit an annual report within 90 days after the end of each fiscal year. In addition to Section 16 (2) of the regulation which provides the minimum requirements for an annual report, operators shall:
  - a. post a copy of the report on the program website
  - b. document the performance in adherence to the stewardship plan
  - c. specify what the stewards will do to reduce or eliminate any gap between actual and projected performance
- An annual report may also include information on the following:

### **Educational Materials and Strategies**

- a. Includes a description of educational materials and strategies.
- b. Meeting plan performance measures likely will require a successful public education strategy.
- c. Some examples of educational tools include newspaper, radio and television advertisements, web pages, flyers and posters.

### **Collection Facilities**

- a. Include information about collection/processing facilities.

### **Reducing Environmental Impacts**

- b. Include efforts taken to reduce environmental impacts throughout the lifecycle of the product and to increase reusability or recyclability at the end of the life cycle. Stewardship agencies may consider consolidating individual producer reporting requirements to protect proprietary information as well as to manage large volumes of information.
- c. Demonstrate a commitment to continuous improvement.

### **Consistency with the principles of pollution prevention and the 4Rs hierarchy**

- a. Include a description of how the recovered product was managed in accordance with the pollution prevention principles and 4-R hierarchy.
- b. The operator may choose to report what percentage is managed at each level of the pollution prevention principles and 4-R hierarchy.

### **Recovery Rate**

- a. Document product recovery rate information.
- b. The total amount of product sold and collected, along with the recovery rate if applicable or an alternative performance measure if not, is a key performance measure, as long as it shows both what is recovered and what is not.
- c. The amount of product collected and processed in each regional district should be reported if possible.

### **Financial Statements**

- a. Submit independently audited financial statements.
- b. Demonstrate commitment to financial transparency and accountability for how all funds collected from consumers are managed.

## **H. POLLUTION PREVENTION AND BEST MANAGEMENT PRACTICES FOR SCRAP TIRES**

- For tires, Manitoba promotes:
  - a. safely using the product for its originally intended purpose as long as possible
  - b. using scrap material to make new products
  - c. using whole or processed tires for energy recovery
  - d. safe storage of tires for later recovery
  - e. disposing tires safely without any current or future use
- Manitoba prohibits the improper storage, illegal dumping, landfilling, unlicensed burning and non-compliant geotechnical uses of tires.
- In accordance with Manitoba's principles of sustainable development, stewards shall adhere to the following Economic Development and Acceptable Use

Framework for achieving the program’s requirements for economic development and environmentally acceptable uses and end products.

- The framework favours, where possible, local processing, manufacturing and use of products from scrap tires over the export of scrap tires for the same purpose or use. Tires must not be exported to other jurisdictions for any purpose considered unacceptable within Manitoba, even if the intended purpose meets the environmental standards of the receiving jurisdiction.

<b>ECONOMIC DEVELOPMENT AND ACCEPTABLE USE FRAMEWORK</b>		
<b>Economic Development Hierarchy</b>	<b>Acceptable Uses and End Products</b>	<b>Prohibited Uses</b>
1. locally processed tires for acceptable uses and/or locally manufactured end products.  2. export of locally processed tires for acceptable uses or end product manufacture  3. export of whole tires for processing and/or acceptable uses or end product manufacture	<ul style="list-style-type: none"> <li>• culled tires for safe re-use, retread</li> <li>• moulded/manufactured product, such as:               <ul style="list-style-type: none"> <li>- mats</li> <li>- traffic cone weights</li> <li>- mud flaps</li> <li>- truck box liners,</li> <li>- feeders,</li> <li>- crumb</li> <li>- blast mats</li> <li>- sidewall rings</li> <li>- die cut</li> </ul> </li> <li>• shred for:               <ul style="list-style-type: none"> <li>- civil engineering</li> <li>- landfill cover/drainage</li> <li>- tire derived fuel (TDF)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• improper storage</li> <li>• illegal dumping</li> <li>• unlicensed burning</li> <li>• non-compliant geotechnical projects</li> <li>• landfilling</li> </ul>