BC CANNABIS OPERATIONS

Notice of amendment to B.C. recycling regulations – packaging and paper product (PPP)

January 18, 2024

The BC Liquor Distribution Branch (LDB) would like to advise Cannabis Licensed Producers (LPs) of a recent <u>amendment to B.C.'s Recycling Regulation (BC Reg 449/2004)</u> that may require action on your part, and provide a reminder of your obligations under the regulation.

Under the existing regulation, all non-medical cannabis products sold in B.C. must be covered by an approved extended producer responsibility (EPR) plan, which helps to manage the packaging and paper products (PPP) associated with those products. Under an EPR plan, the obligated producers of PPP are required to pay a fee that contributes to the operation of the provincial residential recycling program.

The amendment to the regulation confirms that LPs are considered the obligated producer of PPP associated with the cannabis products they distribute and sell in British Columbia. Accordingly, LPs that do not qualify for the Small Producer Exemption (more below) are responsible for having an EPR plan that covers those products, and for paying any applicable fees. This confirms previous guidance for LPs on their PPP obligations, as posted on the LDB's <u>website</u>.

There will be a transition period in early 2024 to allow LPs adequate time to implement their EPR plan if they have not already done so.

<u>Small Producer Exemption:</u> Note that if your wholesale sales are less than one million dollars per calendar year in B.C., or you produce less than one tonne of PPP annually, you may be exempt from producer obligations related to PPP. For details on the Small Producer Exemption, see here.

EPR plan enrollment through Recycle BC

If you do not qualify for the Small Producer Exemption, and you are not already in compliance with the regulation, you will be required to enroll in an EPR plan. Most obligated producers in B.C. choose to enroll in an EPR plan with Recycle BC, which is a stewardship agency that can help you to complete your PPP reporting and coordinate your annual fee.

If you do not clearly qualify for the Small Producer Exemption, you will receive further information from Recycle BC on how they can assist with meeting your compliance obligation, including details on how to register for their services.

Upcoming dates to note:

- February 2024: Qualifying LPs will receive information package from Recycle BC.
- **Early-March 2024:** Recycle BC will host introductory webinar for LPs to support onboarding and PPP education.
- May 31, 2024: Deadline to report your 2023 PPP supply data with Recycle BC (which will be used to calculate your 2025 recycling stewardship fees).
- **January 31, 2025:** First PPP recycling stewardship fee payment is due for 2025 services (based on quarterly payment schedule).

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LPs that receive the information package from Recycle BC are encouraged to begin the registration process as soon as possible in order to be prepared for the May 31, 2024, PPP reporting deadline.

This flexible transition period will ensure that LPs who are not exempt, and who don't already have an EPR plan in place, have adequate time to register and onboard with Recycle BC, learn about PPP reporting, and enroll in an EPR plan.

The LDB will follow up in the coming months with a reminder to register and more information on compliance.

Further information

To get a rough estimate of PPP fees, and for the complete list of PPP materials covered under the regulation, see the Recycle BC fee schedule for 2024.

Examples of PPP materials LPs are responsible for include (but are not limited to):

- Aluminum, glass, paper, and plastic based packaging including plastic bags, pouches, and containers/jars/tubes.
- Cardboard that surrounds containers taken home by the end consumer.
- Foil and metal used on containers.
- Plastic ring toppers.

If you are not exempt from the regulation, and you would like to handle your PPP compliance yourself without using Recycle BC, please refer to B.C.'s <u>Recycling Regulation Guide</u>. Note that this would entail developing your own EPR plan, reporting structure, and recycling stewardship program. You may contact the Ministry of Environment and Climate Change Strategy for further information at: extendedproducerresponsibility@gov.bc.ca.

Please be reminded that LPs must comply with all applicable laws and regulations as a requirement of conducting business with the LDB. Further information on the regulations can be found on the B.C. Ministry of Environment and Climate Change Strategy website here.

Following receipt of a Recycle BC information package in February, if you have questions about registration or PPP reporting, you can contact Recycle BC toll free at 1-888-980-9549, or by emailing stewards@recyclebc.ca.

Thank you,

LDB Vendor Relations