

EXTENDED PRODUCER RESPONSIBILITY BEVERAGE CONTAINERS PROGRAM IN NEW BRUNSWICK

Information Webinar for Brand Owners

January 10, 2024



AGENDA

- **Context**
 - New EPR Beverage Containers Program in NB
 - Who is Encorp
- **Compliance with Regulation**
 - Assigning Encorp as your Agent
 - Reporting & Remitting to Encorp
 - Registering with Recycle NB
- **Which Beverage Products Will Have Deposits and CRFs?**
- **Deposit Amounts**
- **Container Recycling Fees**
- **Accepted materials & Additional Requirements**
- **Labelling**
- **Deadlines & Next Steps**
- **Q & A Session** ← **Please keep your questions for Q & A session at the end.**

NEW EPR BEVERAGE CONTAINERS PROGRAM IN NB

STARTING APRIL 1, 2024...

The NB Beverage Containers Program (BCP) will shift to an extended producer responsibility (EPR) model falling under the jurisdiction of the ***New Brunswick Designated Materials Regulation (Clean Environment Act)***.

- The Regulation establishes **product stewardship recycling programs**.
- In March 2023, it was **amended to include beverage containers**.
- **Recycle NB** oversees all programs.



WHO IS ENCORP?



Encorp is the federally incorporated, not-for-profit producer responsibility organization (PRO) appointed to fulfill the Regulation's requirements for the beverage industry.

On August 1, 2023, Encorp submitted a 5-year stewardship plan to Recycle NB for the new EPR program that starts April 1, 2024.

Encorp will...

- be responsible for the management of **all deposit-bearing beverage containers**;
- assist beverage product brand owners in meeting their obligation to **establish collection and recycling programs for beverage containers** under relevant provincial EPR legislation; and
- regularly engage with brand owners and retailers of regulated products to **promote awareness of their obligations**.

COMPLIANCE WITH REGULATION - ASSIGNING ENCORP AS YOUR AGENT

As the PRO that will manage the EPR Beverage Containers Program, Encorp has established a methodology for determining obligated brand owners:

- a) If the beverages are manufactured in New Brunswick for sale in the Province, the manufacturer of the beverages.
- b) If a) does not apply, and the beverages are manufactured or distributed in Canada, the manufacturer or distributor who sells the beverages *directly* into New Brunswick for sale in the Province.
- c) If a) and b) do not apply, the first person to import* the beverages into New Brunswick for sale in the Province.

**If your company does not fit into one of these categories,
Encorp will not enter into a *Brand Owner Agreement* with your company.**

**However, as the brand owner of your beverages, you must, to the best of your ability,
ensure that the importer or distributor of your beverage products into New Brunswick is registered with Encorp.**

COMPLIANCE WITH REGULATION - ASSIGNING ENCORP AS YOUR AGENT

STEP 1 - Complete and sign the Encorp *Brand Owner Agreement*

- Download the *Brand Owner Agreement* and *Brand Owner Contact Form* from Encorp's website at encorpatl.ca/epr.
- Complete, sign and send both PDF documents to Encorp at epr-rep@encorpatl.ca before January 31, 2024.
- Encorp will:
 - assign you an Encorp brand owner number for reporting purposes;
 - enter all your company information into its database; and
 - return the executed copy of the *Brand Owner Agreement* for your records.

COMPLIANCE WITH REGULATION - ASSIGNING ENCORP AS YOUR AGENT

STEP 2 - Register your beverage containers

- Fill out Encorp's *Beverage Product Registry Template* available on Encorp's website at encorpatl.ca/epr.
- Submit the completed document to epr-rep@encorpatl.ca before January 31, 2024.
- Brand owners will be asked to update their list of products annually. You will not be required to register new products between these yearly updates.

Assigning Encorp As Your Agent – Information & Legal Documents for Brand Owners

Information for brand owners about the EPR Beverage Containers Program and their obligations

[Brand Owner Information Package](#)

[Deposits & CRFs in Effect April 1, 2024](#)

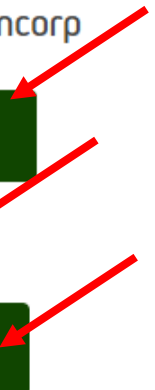
[FAQ](#)

Documents to fill and submit to Encorp

[Brand Owner Agreement with Encorp](#)

[Brand Owner Contact Information](#)

[Beverage Product Registry Template](#)



COMPLIANCE WITH REGULATION - REPORTING & REMITTING TO ENCORP

STEP 3 - Report your sales and remit deposits and container recycling fees (CRFs) to Encorp

- A few weeks before April 1, 2024, Encorp will provide registered brand owners with username/password and training on using Encorp's **Brand Owner Portal**.
- Reports will be due within 10 days of the end of each calendar month for the previous month's reporting period.
- You will need to report all sales of ready-to-drink deposit-bearing beverage products sold and shipped into NB. **Our reporting system will automatically calculate the deposits and CRFs that you must remit.**
- A zero report needs to be filed when no beverage container sales are recorded in a reporting period.
- Payments to Encorp will need to be made within 30 days of the end of each reporting period.

IMPORTANT

Some brand owners may be given less frequent reporting schedules from Encorp – i.e., quarterly, semi-annually or yearly.

Encorp will evaluate sales volume annually and advise if you qualify for a different reporting schedule.

Documents to fill and submit to Encorp

Brand Owner Agreement with Encorp

Brand Owner Contact Information

Beverage Product Registry Template

Reporting & Remitting Deposits and Container Recycling Fees

BRAND OWNER PORTAL



Will be available as of April 1, 2024

Independent Verification Form

Brand Owner Declaration Form

COMPLIANCE WITH REGULATION - REPORTING & REMITTING TO ENCORP

Important nuance about reporting sales and remitting deposits and CRFs - for alcohol beverage brand owners:

- ANBL will report sales and remit deposits and CRFs for alcohol beverages distributed through its distribution systems (Encorp will have an agreement with ANBL).
- Craft alcohol producers will still need to report the sales and remit deposits and CRFs directly to Encorp for alcohol beverage products they manufacture and sell on their own premises in the Province of New Brunswick.
- If your alcohol beverage products are only sold through ANBL (and none on your own premises in New Brunswick), you still have other obligations and need to enter into *Brand Owner Agreement* with Encorp.

COMPLIANCE WITH REGULATION - REGISTERING WITH RECYCLE NB



Recycle NB is the agency responsible for overseeing waste management programs for materials specified in the New Brunswick *Designated Materials Regulation*.

- The Regulation mandates that all brand owners of designated materials must be registered with Recycle NB for each product stewardship recycling program they engage in.
- If your company has previously registered with Recycle NB for another program, you must register again specifically for beverage containers.
- You will receive a separate registration number from Recycle NB for each program you register for on their website.
www.recyclenb.com

The registration number from Recycle NB is NOT the same as your Encorp brand owner number.

**Use your Encorp brand owner number to report sales and remit deposits/CRFs to Encorp
and for all communications with Encorp.**

WHICH BEVERAGE PRODUCTS WILL BE INCLUDED IN THE PROGRAM?

BEVERAGE CONTAINER

The Regulation defines “beverage container” as “a sealed container, including all its component parts, that contains a beverage in a maximum quantity of five litres, and includes a box or similar container used to contain, protect, handle, deliver or present refillable glass beer bottles.” [NB Regulation 2008-54, section 2](#)

BEVERAGE

The Regulation defines “beverage” as “a ready-to-serve liquid that is intended for human consumption but does not include milk, plant-based milk product alternatives that are fortified and a source of protein, unprocessed apple cider, concentrated drinks, infant formula, meal replacements or formulated liquid diets.” [NB Regulation 2008-54, section 2](#)

Sealed beverage containers for products falling within the “beverage” definition will have a deposit and carry a container recycling fee (CRF).

DEPOSIT AMOUNTS

- Can and should be listed as a separate line item on consumer receipts.
- Can and should be listed separately on business-to-business invoices.
- Will **NOT be subject to New Brunswick's Harmonized Sales Tax (HST).**
- Will be refunded in full to consumers when they return UBCs to redemption centres.

CONTAINER TYPE*	DEPOSIT EFFECTIVE APRIL 1, 2024
All container types except non-refillable glass alcohol containers over 500 ml	10 cents
Non-refillable glass alcohol containers over 500 ml	20 cents
Refillable glass (beer bottles)	10 cents

*Applies to all beverage containers up to a maximum of 5 L for products that fit the Regulation's definition of "beverage."

CONTAINER RECYCLING FEE (CRF)

A **CRF mechanism will be established on container material types as needed**, to cover the estimated net costs of handling, transportation, processing, and administration for UBCs.

- The CRFs are expected to be adjusted in the following two scenarios:
 - If increased UBC recovery rates result in fewer unredeemed deposits, if commodity prices drop, or if there are increased fees for handling, processing, or transportation, the CRF will be increased to cover these additional costs
 - If there are additional unredeemed deposits or reduced collection costs, the CRF will be lowered to prevent the accumulation of surpluses in the account specific to that container type. However, account surpluses of lower-performing container types will be used to promote awareness of those container types and increase their recovery rates.

CONTAINER RECYCLING FEE

CONTAINER TYPE*	CRF EFFECTIVE APRIL 1, 2024
Aluminum non-alcohol	1 cent
Aluminum alcohol	2 cents
PET/HDPE non-alcohol	3 cents
All other plastics (including alcohol PET/HDPE)	1 cent
All steel	8 cents
All cartons	0 cents
All non-refillable glass	11 cents

***Applies to all beverage containers up to a maximum of 5 L for products that fit the Regulation's definition of "beverage."**

Will be subject to New Brunswick's Harmonized Sales Tax (HST) of 15%, regardless of whether the beverage itself is taxable or non-taxable.

CONTAINER RECYCLING FEE

RECOVERING THE CRF COSTS

“Subject to subsection (2), on or after April 1, 2024, a brand owner or a retailer, on behalf of a brand owner, may recover from the consumer costs associated with implementing or operating a beverage containers stewardship plan or costs associated with supplying material under section 50.971.”

NB Regulation 2008-54, section 50.98(1)

“A brand owner or a retailer who recovers costs under subsection (1) shall integrate those costs

- (a) into a total advertised sales price of a beverage container, and*
- (b) into the sales price of the beverage container on the receipt of sale.”*

NB Regulation 2008-54, section 50.98(2)

“A brand owner or a retailer is not prohibited from informing the public that the price of a beverage container includes costs recovered under subsection (1) and communicating those costs to the public.” NB Regulation 2008-54, section 50.98(3)

CRF – EXAMPLES OF CONSUMER RECEIPTS (WHEN CRF PASSED ON TO CONSUMERS)

NON COMPLIANT

ABC Entreprise

Date: 2024/04/01
Time: 00:00.01

Description	Qty	Total
Orange Juice	01	2.99
Deposit	01	0.10

CRF 01 0.03

Subtotal \$ 3.12
HST (15%) \$ 0.45

TOTAL: \$3.57

COMPLIANT

ABC Entreprise

Date: 2024/04/01
Time: 00:00.01

Description	Qty	Total
Orange Juice	01	\$3.02
Deposit	01	\$0.10

Subtotal \$3.12
HST (15%) \$0.45

TOTAL: \$3.57

COMPLIANT

ABC Entreprise

Date: 2024/04/01
Time: 00:00.01

CODE	Description	Qty	Total
0001	Orange Juice	01	\$3.02
	Deposit	01	\$0.10

Subtotal \$3.12
HST (15%) \$0.45

TOTAL: \$3.57

1 - Includes Container Recycling Fee (CRF) of \$0.03

COMPLIANT

ABC Entreprise

Date: 2024/04/01
Time: 00:00.01

Description	Qty	Total
Orange Juice	01	\$3.02
Deposit	01	\$0.10

Subtotal \$3.12
HST (15%) \$0.45

TOTAL: \$3.57

A Container Recycling Fee (CRF) is included in the product total of all deposit-bearing beverage products sold in New Brunswick

CRF – EXAMPLES OF PRODUCT DISPLAYS (WHEN CRF PASSED ON TO CONSUMERS)

NON COMPLIANT

Orange Juice.	\$2.99
Container Recycling Fee (CRF) <i>added at checkout</i> (\$0.03)	

COMPLIANT

Orange Juice.	\$3.02
--------------------------	---------------

COMPLIANT

Orange Juice.	\$3.02
Price includes a Container Recycling Fee (CRF).	

COMPLIANT

Orange Juice.	\$3.02
(\$2.99 + \$0.03 CRF)	

CRF – EXAMPLES OF CONSUMER RECEIPTS + SHELF TALKERS (WHEN CRF NOT PASSED ON TO CONSUMERS)

COMPLIANT

ABC Entreprise		
Date: 2024/04/01		
Time: 00:00.01		
Description	Qty	Total
Orange Juice	01	\$2.99
Deposit	01	\$0.10
<hr/>		
Subtotal		\$3.09
HST (15%)		\$0.45
<hr/>		
TOTAL:		\$3.54

COMPLIANT

Orange Juice.	\$2.99
--------------------------	---------------

CRF – COST INTERNALISATION



Refer to the *Fee Display and Advertising* guidelines, which will be available on Recycle NB website in 2024.

www.recyclenb.com

Look under “*Industry*” or “*Legislation*” menu of their website and select “*Beverage Containers*”.



Beverage Containers

[Overview](#)

[Registration](#)

[Brand Owners](#)

[Legislation](#)

[Stewardship Plan](#)

[FAQs](#)

Beverage Containers - Legislation



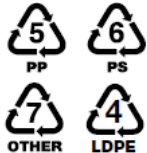
[Clean Environment Act](#)

[Designated Materials Regulation](#)

ACCEPTED MATERIALS & ADDITIONAL REQUIREMENTS

SCHEDULE "A"- LIST OF ACCEPTED MATERIALS

Brand owners must ensure that their containers for deposit-bearing beverage products sold in New Brunswick conform to the specified list of Encorp's accepted container material types. The containers should also meet the additional requirements outlined below.

ACCEPTED CONTAINER MATERIAL TYPES	DEFINITION
Aluminum	All deposit-bearing beverage products that are packaged in aluminum containers.
PET 	All deposit-bearing beverage products packaged in plastic containers displaying the number 1 polyethylene terephthalate (PET or PETE) resin code.
HDPE 	All deposit-bearing beverage products packaged in plastic containers displaying the number 2 high-density polyethylene (HDPE) resin code.
Non-Refillable Glass (Green, Clear and Brown)	All deposit-bearing beverage products packaged in glass containers not intended to be reused. Glass beverage containers are always either green, clear, or brown.
Refillable Glass	All beer products packaged in refillable glass industry standard bottles (ISB) or refillable glass proprietary bottles. The bottles can be either brown, green, or clear in colour. For multi-packs, refillable glass bottles must be packaged in recyclable cardboard cases.
Cartons (Polycoat Containers & Wine Boxes)	All deposit-bearing beverage products packaged in polycoated containers (aseptic or gable top) plus all box (cardboard) packaging used for deposit-bearing boxed wine (wine sold in a bag inside a box).
Steel	All deposit-bearing beverage products packaged in steel containers.
Other Plastics / Pouches 	All deposit-bearing beverage products packaged in plastics displaying the number 5 polypropylene (PP) symbol, number 6 polystyrene (PS) resin symbol, or number 7 (OTHER) resin symbol (meaning "other plastics," such as acrylic, nylon, polycarbonate, and polylactic acid and multilayer combinations of different plastics). This material sort/category also includes all deposit-bearing beverage products packaged in low-density polyethylene plastic pouches (resin symbol 4 - LDPE).

- Containers larger than 5 L are exempt from the Beverage Containers Program and will not fall under Encorp's responsibility.
- Encorp will not accept hybrid containers (with the exception of lids/caps/closures). For example, a container with a body made from PET and a top made from aluminum.
- Encorp does not encourage the use of plastic wraps on aluminum or steel cans. However, these will be accepted in limited quantities from small craft brewers.

LABELLING

- Deposit-bearing beverage containers in New Brunswick must carry a refund notice advising that it carries a refund value.
 - Must be in both English and French.
 - Must be located on the container where it is readily visible and remain on the container when empty.
- Examples of appropriate labelling include but are not limited to the following - multiple variations of wording are acceptable provided the concept of a refund is evident.
 - a) *“Return for refund where applicable / Consigné là où prescrit”*
 - b) *“Refund where applicable / Consigné là où prescrit”*
 - c) *“Return for refund where applicable / Retourner pour remboursement là où applicable”*



DEADLINES & NEXT STEPS

BEFORE JANUARY 31, 2024

- Review your *Brand Owner Information Package* – go through the *Steps to Compliance* on page 15 and ensure you fill out and submit all required documents to Encorp.

WINTER 2024

- Expect follow-up communications from Encorp in the winter of 2024 (end of February) in anticipation of April 1, 2024. Usernames/passwords and training will be provided for accessing and using the new *Brand Owner Portal* online reporting system.
- Distributors who are currently reporting sales and remitting deposits with Encorp should continue to do so using the same *Beverage Container Deposit Remittance Forms* they are accustomed to available on our website for deposits owed up to and including March 31, 2024. The new online reporting system (*Brand Owner Portal*) must only be used to report deposits and CRFs collected on or after April 1, 2024.

APRIL 2024+

- Start using Encorp's new Brand Owner Portal to report sales and remit deposits/CRFs.



THANK YOU!
QUESTIONS? COMMENTS?