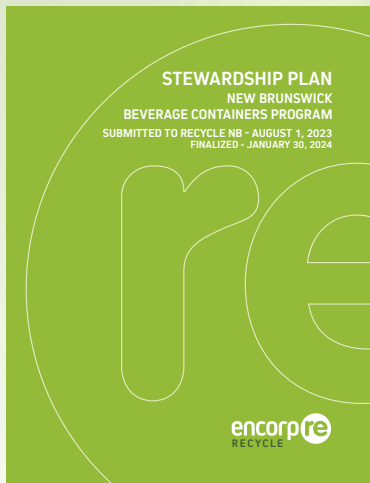


WINTER 2024

STEWARDSHIP PLAN



As the official PRO that will operate the new EPR Beverage Containers Program, Encorp met its obligation of submitting a stewardship plan to Recycle NB, as required by legislation, on August 1, 2023. Our Stewardship Plan then underwent a several-month review and approval process by Recycle NB. We are proud to announce that our plan has been officially approved as of February 2, 2024, and is available to consult via Recycle NB's website - recyclenb.com.

REGISTERING WITH RECYCLE NB

The New Brunswick Designated Materials Regulation states that no "brand owner" shall sell, offer for sale or distribute a beverage container to a person in the Province of New Brunswick on or after April 1, 2024, unless the brand owner is registered with Recycle NB. If your organization has not yet done so, there is still time to register as a "brand owner" with Recycle NB through their *Brand Owner Registration Form*. Select "Beverage Containers Program" from the drop-down menu. We also encourage you to list "Encorp Atlantic" as your agent on this form. More information is available on the Recycle NB website - recyclenb.com.



UPDATE ON NEW EPR PROGRAM IN EFFECT APRIL 1, 2024

In November 2023, Encorp issued a complete *Brand Owner Information Package* regarding the planned transition of the New Brunswick Beverage Containers Program towards an extended producer responsibility (EPR) model on April 1, 2024. Encorp also held information webinars on this topic in December 2023, with repeats in early January 2024.

If you have not yet entered into a *Brand Owner Agreement* with Encorp in preparation for the new EPR Beverage Containers Program, or if you have questions or concerns, please note that you can access the webinar recordings, as well as the *Brand Owner Information Package*, including fillable PDF versions of all the required documents to complete and sign, via our website at encorpatl.ca/epr. The deadline for submitting the required documentation to assign Encorp as your agent for the new EPR Program was January 31, 2024. If your organization qualifies as a brand owner, and you have not yet signed and submitted the required documentation, we urge you to get this done as soon as possible.

As noted in the information package, April 1 will bring changes in deposit values, as well as introduce a container recycling fee (CRF) on deposit-bearing beverage containers. The deposits and CRFs will be as follows.

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
<i>Consumers will receive a full refund on deposits paid for beverage containers upon returning empty containers to official used beverage container return locations, known in New Brunswick as "redemption centres".</i>	

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 (polycoat containers & wine boxes)	0 cents
All non-refillable glass	11 cents

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

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▶ NEW BRAND OWNER PORTAL

Encorp will launch a *Brand Owner Portal* on its website this April. With this new portal, once logged in, brand owners will only need to input their deposit-bearing beverage container sales in New Brunswick for any given reporting period – by container type – and the form will automatically calculate the appropriate deposits and CRFs to be remitted – and submit the report. All reporting must be done via the portal – we will not accept faxed or emailed submissions of forms printed/filled by hand.



In April, we will contact all organizations who have registered with Encorp for the new EPR Beverage Containers Program, offering username and login details and training on using this online reporting system.

It is important to note that this new portal must ONLY be used to report deposit-bearing beverage container sales that occur AFTER April 1. Reports will be due within 10 days of the end of each reporting period for the previous reporting period. For brand owners with a 12-month reporting schedule, the first report – for sales from April 1 to April 30, 2024 – to be filed using our new *Brand Owner Portal* will only be due in early May. Payments will be due within 30 days of the end of each reporting period (i.e., May 30, 2024, for April 2024 sales).

Please note that if your organization has been reporting sales and remitting beverage container deposits to us under the current Beverage Containers Program, you must continue to do so until the start of the new EPR Program using the same [Beverage Container Deposit Remittance Forms](#) (electronic and/or PDF versions) available on our website for deposits owed up to and including March 31, 2024.



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Regarding displaying fees, beverage product brand owners – including retailers of beverage products – should pay particular attention to the following.

- The only permissible “fee” retailers will be allowed to display as a separate line item on consumer receipts is the fully refundable deposit on the beverage container. Since the deposit must be charged to consumers separately from the price of beverage products and must be refunded in full to consumers when returning the empty container to a redemption centre, it should be listed as a separate line item on consumer receipts. Deposits should also be listed separately on business-to-business (B2B) invoices.
- Because deposits will be fully refunded to consumers starting April 1, 2024, they will no longer be subject to New Brunswick’s Harmonized Sales Tax (HST).
- Brand owners will be allowed – at their discretion – to absorb or pass on the CRF costs to retailers who, in turn, may absorb or pass these costs on to consumers. When passed on to consumers, the CRF must always be integrated

into the total advertised sales price of a beverage container and the sales price of the beverage container on the receipt of the sale (i.e., it cannot be presented as a separate line item that is part of the point-of-sale calculation, including the subtotal, HST, etc.). However, this requirement for internalized fees will not extend to business-to-business (B2B) invoices. Recycle NB has produced guidelines to help decipher what is permissible and what is not regarding displaying CRFs, which are available on their website – recyclenb.com. Please contact Recycle NB should your company have questions or concerns regarding this topic. Encorp also has standard messaging about CRFs linking consumers to its website for more information available via its *Retail Promotions Toolkit* (see article below).

- Because CRFs are essentially a “service fee” charged by Encorp, they will be subject to New Brunswick’s Harmonized Sales Tax (HST), regardless of whether the beverage itself is taxable or non-taxable. HST will be calculated at 15% on top of the CRF amounts.

▶ PROMOTIONAL CAMPAIGN: “RECYCLING MATTERS. FULL REFUNDS ADD UP.”

The most immediate and exciting change for consumers with the new EPR Beverage Containers Program will be the financial benefit of recycling empty beverage containers. For more than 30 years now, New Brunswick consumers have been used to paying deposits when purchasing sealed, ready-to-drink beverage products and getting back half of these deposits as a refund when returning empty containers for recycling at used beverage container return facilities, known as “redemption centres.” Starting April 1, 2024, the *Designated Materials Regulation* requires that these deposits be fully refunded to consumers at redemption centres – meaning more money back into their pocket when recycling!

Encorp’s “*Recycling Matters. Full Refunds Add Up.*” campaign will highlight the exciting news that deposits on beverage containers are fully refundable when consumers do the right thing – recycle their empty containers! The campaign will be visible online and in various traditional advertising formats in communities throughout New Brunswick. Additionally, consumer education will take place at redemption centre locations.

Encorp invites retailers to join the cause by utilizing the creatives it has developed for their beverage product displays and in-store point-of-purchase (checkout) areas. The creatives emphasize the benefits of returning empty beverage containers to redemption centres for full refunds on deposits and provide a link to Encorp’s website for more information. A *Retail Promotions Toolkit* with these creatives and more details is available on our website at encorpatl.ca/epr.

