

# Clarifications for Alcohol Beverage Brand Owners

## Extended Producer Responsibility Beverage Containers Program in New Brunswick



**In effect since April 1, 2024**

On April 1, 2024, the New Brunswick Beverage Containers Program (BCP) migrated to an Extended Producer Responsibility (EPR) program, governed by the *New Brunswick Designated Materials Regulation (Clean Environment Act)*, and falling under the oversight of Recycle NB.

The Regulation, dating back to 2008, establishes product stewardship recycling programs for various products in the Province. In March 2023, it was amended to include beverage containers, initiating the transition from the existing system for used beverage container (UBC) collection/recycling in New Brunswick to an EPR approach in 2024.

**Under the Designated Materials Regulation, no beverage product brand owner can 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.**

Brand owners must also submit a stewardship plan outlining how their UBCs are recovered and recycled. Brand owners can assign a producer responsibility organization (PRO) as their agent to handle this responsibility and operate a recycling program for beverage containers on their behalf.

**Encorp Atlantic/Encorp Atlantique (“Encorp”) is a federally incorporated, not-for-profit PRO which brand owners can appoint to fulfill these requirements.**

### Assigning Encorp as Your Agent

Go to Encorp’s website – you will find under the *Beverage Industry* menu a webpage for brand owners with all the information you need regarding the EPR Program - [encorpatl.ca/epr](https://encorpatl.ca/epr).

- Make sure to read Encorp’s *Brand Owner Information Package*.
- Download, fill out and submit by email to Encorp ([epr-rep@encorpatl.ca](mailto:epr-rep@encorpatl.ca)) the required documents:
  - Brand Owner Agreement (fillable PDF)
  - Brand Owner Contact Information Form (fillable PDF)
  - Beverage Product Registry Template (Excel file)

#### MORE INFORMATION

##### Encorp Atlantic

Website: [encorpatl.ca/epr](https://encorpatl.ca/epr)

Email inquiries: [epr-rep@encorpatl.ca](mailto:epr-rep@encorpatl.ca)

Toll-free: 1-877-389-7320



## Who Is the Brand Owner? (Alcohol Beverage Containers)

The main question in determining who is the brand owner for an alcohol beverage product and thus responsible for the beverage's container is "Where did it come from?"

### **New Brunswick Producers**

#### **Does the local producer sell products at an onsite location?**

##### **Yes**

They are the brand owner and are required to register with Encorp and Recycle NB.

The producer must report and remit the CRF and the beverage container deposit to Encorp for any products they sell onsite. The reporting schedule will be set by Encorp. Products sold by ANBL will be covered in ANBL's reporting and remittance.

The producer must register their beverage containers with Encorp annually.

##### **No**

The producer is the brand owner and must register with Encorp and Recycle NB.

ANBL will collect, report, and remit the CRF and beverage container deposit on their behalf under the agreement with Encorp.

### **Canadian Producers**

The producer is the brand owner and must register with Recycle NB and Encorp. They must register their containers with Encorp annually.

ANBL will collect, report, and remit the CRF and beverage container deposit on their behalf under the agreement with Encorp.

### **International Producers**

#### **Do they have an agent/distributor or other representative that handles their products or represents their interests in Canada?**

##### **Yes**

That representative must be registered with Encorp and Recycle NB. The representative must register the containers annually with Encorp.

ANBL will collect, report, and remit the CRF and beverage container deposit on their behalf under the agreement with Encorp.

##### **No**

ANBL is responsible for unrepresented beverage containers imported into New Brunswick

ANBL will collect, report, and remit the CRF and beverage container deposit on their behalf under the agreement with Encorp.

## FAQ

### What is the difference between a CRF and a deposit?

A "CRF" stands for *container recycling fee*. It is an environmental handling/management fee charged to beverage industry product brand owners to cover the estimated net costs of recovering and recycling the containers for their products. The exact amount set for each container depends on how cost-effective a container's material type is to recycle. CRFs are a common and proven financing mechanism used successfully in many other Canadian provinces to fund the recycling of beverage containers. On April 1, 2024, the New Brunswick Beverage Containers Program transitioned to a full extended producer responsibility (EPR) model, with a CRF set by container type to cover the estimated net costs of recycling each material stream.

A "deposit" is a refundable fee that consumers pay when they purchase a ready-to-drink beverage product in a sealed container, in addition to the item's price. It is intended to encourage consumers to return the empty beverage container for recycling or refilling instead of disposing it in a landfill or as litter. New Brunswickers are accustomed to paying a 10-cent deposit on some containers and a 20-cent deposit on others. Since April 1, 2024, as required by the New Brunswick *Designated Materials Regulation*, they receive a full refund for these deposits when they return empty beverage containers to used beverage container (UBC) return facilities, known as "redemption centres."

### What are the CRFs and deposits in effect in New Brunswick?

As part of the EPR Beverage Containers Program in New Brunswick, a container recycling fee (CRF) is established by Encorp on container material types as needed to cover the estimated net costs of handling, transportation, processing, and administration for used beverage containers.

Encorp, as a not-for-profit organization, regularly assesses expenses and incomes associated with each type of container to ensure that the appropriate fees are applied. Brand owners can expect CRFs to be adjusted annually, with new rates usually coming into effect on April 1 every year; however, Encorp reserves the right to adjust the CRFs if needed at any point in time in response to unanticipated financial events. Any changes to CRFs are announced at least 90 days before they become effective.

## CONTAINER RECYCLING FEE (CRF)

CONTAINER TYPE*	CURRENT CRF
Aluminum non-alcohol	Available on Encorp's website.
Aluminum alcohol	Available on Encorp's website.
PET/HDPE non-alcohol	Available on Encorp's website.
All other plastics (including alcohol PET/HDPE)	Available on Encorp's website.
All steel	Available on Encorp's website.
All cartons (polycoat containers + wine boxes/bag-in-box)	Available on Encorp's website.
All non-refillable glass	Available on Encorp's website.

\*Applies to all beverage containers up to a maximum of 5 L for [products that fit the Designated Materials Regulation's definition of "beverage."](#)

The deposits on beverage containers, paid by consumers upon purchasing beverage products and fully refundable to consumers when they return empty containers for recycling at redemption centres, will be as follows.

**DEPOSIT  
(FULLY REFUNDABLE FOR CONSUMERS)**

CONTAINER TYPE*	DEPOSIT (IN EFFECT SINCE 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 Designated Materials Regulation's definition of "beverage."](#)

**Is tax applied to the CRF?**

Yes, the CRF is subject to New Brunswick's Harmonized Sales Tax (HST), regardless of whether the beverage itself is taxable or non-taxable. HST is calculated at 15% on top of the CRF amounts.

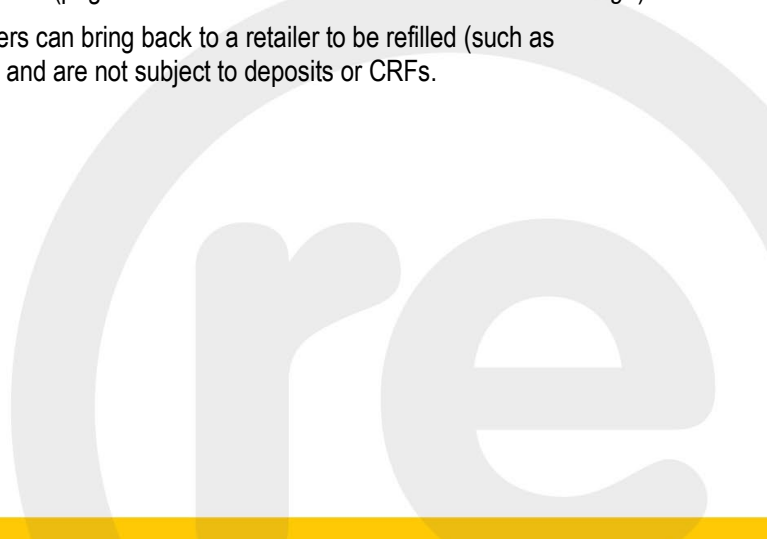
**Is tax still applied to a portion of the beverage container deposits?**

No. Tax is only applied to deposit portions that are not refunded to consumers. Because the Beverage Containers Program switched to a fully refundable deposit system on April 1, 2024, deposits no longer have a taxable component.

**Are there any types of beverage containers that are not included in the Beverage Containers Program?**

Only sealed containers for ready-to-drink beverage products that fit the Regulation's definition of "beverage" are included in the Beverage Containers Program and considered deposit-bearing. This definition and a list of exclusions can be found on pages 5-6 of the *Brand Owner Information Package*. Brand owners should also ensure that deposit-bearing beverages are packaged in containers using material types from Encorp's list of accepted materials (pages 13-14 of the *Brand Owner Information Package*).

Additionally, containers greater than 5 L or containers that consumers can bring back to a retailer to be refilled (such as flagons/growlers) are not part of the Beverage Containers Program and are not subject to deposits or CRFs.



## **Are the labelling requirements for the new EPR Beverage Containers Program different from the former legislation's labelling requirements?**

The labelling requirements outlined in the *Brand Owner Agreement* are the same as the former legislation's labelling requirements, with the exception of brand owners now being able to choose the size of the refund notice. Deposit-bearing beverage containers in New Brunswick must carry a refund notice advising that it carries a refund value, which must be in both English and French, and 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"

*\*Note that for alcohol beverage containers sold through Alcool NB Liquor (ANBL), under special circumstances, arrangements can be made directly with ANBL to ensure proper labelling.*

## **Craft Alcohol Producer A manufactures its own beverages in New Brunswick and sells them to Craft Alcohol Producer B, who sells them to consumers on its premises. Which of these brand owners is responsible for reporting sales and remitting deposits and CRFs to Encorp for Craft Alcohol Producer A's beverage products?**

Craft Alcohol Producer A is responsible for reporting the sales and remitting the deposits and CRFs to Encorp for all the beverage products it manufactures and sells for consumption in New Brunswick. This includes all beverage products it sells on its own premises and those it sells to other establishments/retailers for consumption in New Brunswick (except ANBL and its distribution network), such as *Craft Alcohol Producer B*.

Therefore, *Craft Alcohol Producer A* must collect deposits from consumers for all deposit-bearing beverage products it sells on its own premises and remit these – along with the CRFs – to Encorp. For the beverages sold to *Craft Alcohol Producer B*, *Craft Alcohol Producer A* must also remit the deposits and CRFs to Encorp – and can recover these costs by including them on its business-to-business invoice to *Craft Alcohol Producer B* (both deposits and CRFs should always be indicated as separate line items on business-to-business invoices).

*Craft Alcohol Producer B* will then recover these costs by collecting deposits from consumers (and the CRFs if passed on to consumers) for the beverage products it has purchased from *Craft Alcohol Producer A*. (On consumer receipts, deposits should be a separate line item; however, CRFs – if passed on to consumers – must be integrated into the total price of the product and thus never shown as a separate line item.) No reporting and remitting is required of *Craft Alcohol Producer B* to Encorp regarding *Craft Alcohol Producer A's* products.