



EPSC Annual Review

Electronics Product Stewardship Canada

May 2005

The electronics industry's voice for environmental stewardship

Regulations Impact Canada's Electronics and IT Sectors

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During this past year Canadian provinces have moved forward with end-of-life electronics hardware and packaging regulations. Within several years these regulations could easily result in recycling collection and processing costs exceeding one hundred million dollars across the country. At this critical juncture in program development the industry voice provided by Electronics Product Stewardship Canada will be essential.

- May 2004—Alberta announced an electronics recycling regulation. Environmental fees on computers, printers and televisions were introduced on February 1, 2005;
- May 2004—Ontario Minister Leona Dombrowsky addressed the EPSC Board and indicated Ontario would regulate the requirement for an industry-led e-waste program before the end of 2004. In December the Minister designated a list of over fifty electronics products and required the development of a program to begin immediately.
- Fall 2004—Nova Scotia advised EPS Canada that a draft electronics stewardship regulation would be issued for comment in early 2005. The Ministry of Environment and Labour published a draft regulation for comment in February 2005.
- March 2005—The Saskatchewan government announced the requirement for an electronics stewardship program and subsequently requested EPS Canada to develop a program for the province by November 2005.
- Early 2005—Quebec announced the introduction of a packaging stewardship program similar to Ontario with fees effective March 1, 2005.

It is clear that end of life e-waste management programs are here and very soon will become com-

mon place all across Canada. With the exception of Alberta, all provinces are seeking an industry-led and managed solution, and EPSC has responded to these requests on behalf of the information technology and consumer electronics industries.

EPSC continues to lead the industry response both through direct lobbying with provinces and involvement in preliminary program development. Whether through meetings with cabinet ministers, delivering the message through conference speaking opportunities, developing recycler standards, obtaining points on federal standing offers for members, expanding the corporation's membership and influence, or developing detailed implementation strategy with an array of partners -- the past twelve months saw EPS Canada remain on the forefront of e-waste management activity.

As we move forward during the coming year the approach to e-waste stewardship in Canada will be defined for the foreseeable future. The first "industry managed and led" programs will be in the throes of development with implementation expected in mid-2006.

We will remain focused on our key goal of harmonizing programs to the greatest extent possible and working closely with all stakeholders. There will be tough decisions that must be made. EPS Canada will have the strongest voice and greatest influence by delivering a united industry position on the major issues. We encourage all affected corporations in our sector to become involved with EPS Canada to ensure your voice is heard.

Ken Frankum, Chair, EPSC

EPSC member companies



EPSC's Electronics Recycling Vendor Qualification Program: demonstrating industry leadership

"We recognized in the very early stages that environmentally sound recycling of electronics would be one of the most critical elements of our stewardship program."

*Nick Aubry
SONY of Canada Ltd.*

EPSC raised the bar for electronics stewardship and pioneered an industry-wide approach to environmental responsibility with the release in 2004 of the Recycling Vendor Qualification Program (RVQP). This process, developed by EPSC's Recycling Vendor Qualification Committee, will ensure that all electronics recyclers meet a common standard of acceptable performance.

The committee drew on the expertise of a wide range of groups, and incorporated concerns that had been raised by electronics manufacturers, environmental groups and recyclers, to create this methodology for determining if recyclers process electronic equipment in a way that meets or exceeds environmental, health and safety regulations and standards in Canada. The end result is a program that follows electronic waste down to its base material, following a thorough and rigorous process to ensure environmentally sound handling of the product at all stages. EPSC's standards address specific concerns related to the recycling of electronics that are not addressed by the ISO 14000 series standards, and has created a precedent that could be used in other industries.

Sony of Canada Ltd's Environmental Manager Nick Aubry, chaired EPSC's Recycling Vendor Qualification committee, and outlines the reasons for developing the RVQP. "We recognized in the very early stages that environmentally sound recycling of electronics would be one of the most critical elements of our stewardship program. As industry leaders, we worked together and created a pioneering program designed to evaluate recyclers and to ensure electronics collected in our stewardship program are recycled in an environmentally responsible manner."

Not only is it important for manufactures to address the issue of electronic waste once it has reached its end of life, but it is also vital to ensure that products are handled safely. The RVQP has conditions that prohibits the export of waste to non-

OECD countries and prevents the use of prison labour for recycling.

Alberta adopted EPSC's recycling vendor qualification program for its operations when it introduced electronics recycling regulations. EPSC and its provincial and territorial partners will be looking for suitable vendors, willing to participate in the audit process, in order to qualify to recycle designated materials. The RVQP involves an application process, a preliminary review, and an on-site audit. Once qualified, it remains in effect for two years, and then an audit review will be required to re-qualify the vendor for another two years.

The RVQP was pilot tested when EPSC and Computers For Schools program completed a landmark project to recycle close to 200 tonnes of electronic components that had reached the end stage of their useful lifespan. EPSC demonstrated industry leadership in the area of stewardship and raised the level of expectations in this field. Before any electronics equipment was recycled, useful parts were tested, and any in good working order were set aside for reuse.

The remaining surplus electronics equipment was separated by type, e.g. plastics and metals, monitors, screens from laptops, yokes and hard drives plus potentially hazardous materials such as batteries and mercury bulbs. These materials were then shipped on skids to Noranda Recycling's facility in Brampton, Ontario for shredding and/or further separation or sorting for final recycling by another Noranda contracted sub-vendor. In all cases, the project verified the final recycled state of all the 'skid' materials to ensure they were all properly recycled.

At the conclusion of the project, EPSC President Dave Betts said "We believe, a world-wide, leading-edge standard has been set in Canada for the recycling and stewardship of surplus electronics equipment."

For more details on the Recycling Vendor Qualification Program, visit:

http://www.epsc.ca/pdfs/Vendor_Eng.pdf



EPSC's electronics recycling vendor qualification program is being praised for its environmental leadership.

2004–2005 EPSC Milestones

May 20, 2004

EPSC's Annual General Meeting in Markham — Ontario's Environment Minister addresses Board of directors

June 2004

EPSC named to Atlantic Canada e-waste feasibility study steering committee

June 25, 2004

Canadian Council of the Ministers of the Environment releases 12 key principles for e-waste stewardship

October 1, 2004

EPSC releases Recycling Vendor Qualification Program for comment

October 1, 2004

EPSC releases final report on Computer for Schools recycling project

October 19, 2004

EPSC a keynote speaker at e-scrap 2004, North America's premier conference on e-waste management

October 29, 2004

Federal Government names EPSC in green procurement directive requiring end-of-life management approach for bidders on laptop and portable computers

November 24, 2004

EPSC makes special presentation to Waste Diversion Ontario Board of Directors

December 7, 2004

EPSC names three representatives to Electronics Recycling Alberta's Industry Council

December 20, 2004

Ontario Minister of the Environment requests industry-led electronics stewardship program for more than 50 products

January 19, 2005

Microsoft & Samsung join EPSC

January 31, 2005

EPSC nominates four representatives to Waste Diversion Ontario's electronics data working group

February 1, 2005

Alberta consumers begin paying eco-fees on new computers, printers and televisions

February 15, 2005

EPSC joins six leading industry organizations to form the interim Industry Funding Organization for Ontario

March 18, 2005

Saskatchewan calls upon EPSC to develop and implement provincial industry-led stewardship program for e-waste



The federal government requires laptop and portable computer manufacturers to provide evidence of their commitment to a comprehensive end-of-life management approach in order to bid on national procurement standing offers.

Ontario—EPSC Partnerships play significant role

Ontario became Canada's second province to enact e-waste regulations and the first to require an industry-led program when Ontario Environment Minister Leona Dombrowsky issued her letter in December of 2004, requiring end-of-life stewardship programs for a wide number of electronics products under the Waste Diversion Act. Waste Diversion Ontario was directed to establish a comprehensive, industry-led program for the management of e-waste in the province. The letter envisions two phases, lasting a total of approximately 18 months.

Phase One includes three deliverables related to program governance and the establishment of baseline statistical information on the industry sector. Phase Two will see the development and

implementation of a detailed stewardship program.

In February, 2005 EPSC, along with five other leading organizations (Electro-Federation Canada, the Information Technology Association of Canada, the Canadian Wireless Telecommunications Association, the Retail Council of Canada, and the Canadian Imaging Trade Association) submitted a notice of intent to WDO to form the Industry Funding Organization (IFO) for the information technology, telecommunications and audio-visual sectors identified as designated by the Minister of the Environment.

Subsequently the Appliance sector, as represented by the Canadian Appliance Manufacturers Association (CAMA), also joined this coalition.

EPSC was founded by:



ELECTRO-FEDERATION
C·A·N·A·D·A



EPSC Grows: Microsoft & Samsung now members

Two more leading companies, Microsoft Canada Co. and Samsung Electronics Canada Inc., have joined the EPSC family. Their addition as member companies, further confirms EPSC's position as a progressive industry voice in Canada's environmental stewardship dialogue.

It is also one more indication that EPSC's decision to work with a broad array of partners and stakeholders, including government, environmental groups and retailers, is the preferred approach to developing sustainable solutions for Canada's electronic waste challenges.

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Media Highlights of E-waste and EPS Canada

"Solutions? To begin with, Canada needs to recycle its own...hazardous trash. The creation of the Electronics Product Stewardship Canada in 2003 is a step in the right direction..."

RealAssets.ca

February 2004

"EPS Canada 'gets it' that product stewardship is complex. There's the need for standard vendor qualification program for recyclers, coordination of R&D projects, feedback to manufactures on design for the environment and recycling, and public education programs."

Solid Waste & Recycling Magazine

August/September 2004

"Canadians are thinking green ... Citing the environment as a primary concern, 88% of Canadians revealed they are willing to spend more on consumer electronics that are energy efficient, produce less waste, and are made of recycled materials...A large majority (96%) prefer purchasing products that can be recycled while 92% prefer buying products that are manufactured using environmentally conscious processes."

POLLARA / Sharp Electronics of Canada Ltd.

News Release, March 2005

"Recently, a number of manufacturers have begun to re-design their products to use less lead, cadmium, mercury, hexavalent chromium, and certain types of flame retardants."

Choosing Our Legacy

**Environmental Commission of Ontario
2003-2004 Annual Report**

"...It is actions by environmentally conscious companies like CompuSmart, groups like EPS Canada and individuals, that are reducing the impact of this potentially disastrous environmental issue..."

Saanich News (BC)

March 2005

"Ever wonder where all the thousands of defunct PC monitors, television sets, keyboards, VCRs and other electronic waste end up? How many of them are recycled and refurbished, and how many are disposed of? More importantly, how is it affecting the environment? Those are questions that a group of Canadian IT and electronics vendors are looking at very seriously."

ITWorld.ca

April 2005

"Product stewardship programs, such as the one being proposed by EPS Canada, rely on industry taking responsibility for the waste associated with their products. ..."

*Choosing Our Legacy
Environmental
Commission of Ontario
2003-2004 Annual Report*

EPSC Board of Directors 2004–2005

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Jim Ianniciello
Brother International Corporation (Canada) Ltd.
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