

Reference: 381925

September 1, 2021

Allen Langdon President and CEO Encorp Pacific Canada 100 – 4259 Canada Way Burnaby, BC V5G 4Y2

Dear Allen Langdon:

Thank you for submitting amendments to the proposed Encorp Pacific (Canada) ("**Encorp**") Extended Producer Responsibility Plan (the "**Plan**") in fulfillment of the requirements of Section 6 of the <u>Recycling Regulation</u> (the "**Regulation**") made under the *Environmental Management Act*. I appreciate Encorp's continued commitment to achieving compliance in this regard.

Under the Regulation, the director has the ability to both amend an approved extended producer responsibility (EPR) plan on his own initiative, and to approve amendments to an approved plan that have been proposed by a producer. I have completed my review of, and approve, the plan submitted on August 30, 2021.

The amended plan adequately addresses the various regulatory requirements. In particular, I want to acknowledge how Encorp has addressed the recent changes to the Regulation to include milk and milk substitutes in the definition of "beverage" by including containers of these products in its plan. Furthermore, I appreciate the emphasis Encorp has placed in elevating the recovery rate for the various historically low recovery container sub-categories (e.g., drink boxes, bag in box and pouches) to at least, or above, 75% within three years of plan approval. Along with aggressive recovery targets for the other container sub-categories, Encorp is able to target an overall recovery rate of 83.6% after five years of plan operations, helping to demonstrate continuous improvement.

A major development of this Plan is the expansion of products that it covers. With the entry into the management of all beverage containers, this plan takes specific action to mitigate consumer confusion. However, the Ministry of Environment and Climate Change Strategy (the Ministry) will be paying close attention to how the market responds moving forward and to ensure consumer awareness initiatives support effective collection of beverage containers.

Environmental Standards Branch Environmental Protection Division Mailing Address: PO Box 9341 Stn Prov Govt Victoria BC V8W 9M1 If in the future Encorp intends to make a significant change to the operations of its plan, which would affect other EPR programs, the Ministry would expect an amendment to the plan. Amendments of this nature would require stakeholder consultation.

Pursuant to Section 6 of the Regulation and based on the plan's original approval date of July 19, 2007, Encorp's next plan review must be completed by July 19, 2022. Please also note that failure to comply with an approved plan may result in the imposition of an administrative monetary penalty of up to \$40,000 or a fine of up to \$200,000.

Third Party Assurance for Non-Financial Information in Annual Reports

Third party assurance for non-financial information in Annual Reports is required through Section 8(2)(h) of the Regulation. The assurance report should be completed in accordance with the document entitled, "Third Party Assurance Requirements for Non-Financial Information in Annual Reports" dated October 2018 and revised from time to time, which is enclosed.

Finally, the ministry expects this approval letter to be forwarded to Encorp's board of directors as well as its member producers, since each producer is responsible for ensuring its agent fulfills the plan, and compliance proceedings may be taken against a producer if the agent fails to implement the plan.

If you have any questions regarding the implementation of your plan, or suggested opportunities for improvement, please contact your ministry file lead. Thank you again for your patience and engagement in this review process.

Sincerely,

Bob McDonald Director Extended Producer Responsibility

cc: Teresa Conner, Unit Head, Extended Producer Responsibility Section Lucas Harris, Ministry file lead, Extended Producer Responsibility Section