

## Interchange Draft Program Plan Feedback

To Whom It May Concern:

Thank you for the opportunity to comment on the draft plan. Zero Waste BC is a non-profit association dedicated to driving systemic change towards Zero Waste in BC. Zero Waste is the conservation of all resources by means of responsible production, consumption, reuse, and recovery of products, packaging, and materials without burning and with no discharges to land, water, or air that threaten the environment or human health. Our current resource consumption systems of linear take-make-waste not only create waste but also generate a huge amount of greenhouse gases which constitute some of the discharges that threaten the environment and human health. EPR programs can play a key role in changing these consumption systems. For more information on Zero Waste, please see the Zero Waste Hierarchy.<sup>1</sup>

We are pleased that Interchange will be submitting its plan which includes some improvements to its existing system. We submit these comments in hope that the program will show leadership in the realm of EPR to move it beyond mere recycling to actually changing the nature of the products and how the service is delivered, as envisioned in the Canadian Council of Ministers of Environment Canada-wide Action Plan for EPR.

Please see our comments by section below:

### Section 3. Legal Requirements

We are pleased that the program has expanded to cover more products defined in the *Recycling Regulation*.

We encourage the Ministry to also fill the regulatory gaps for all of the products listed as not part of the program such as those designed for “use in the cleaning or aesthetic maintenance of the interior surfaces, upholstery or exterior surfaces of a motor vehicle” though it would be even better if the program took these on voluntarily for convenience for the end user.

### Section 4. Governance and Financing

Interchange is commended for a member at large and a municipal representative on its Board.

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<sup>1</sup> Zero Waste Hierarchy: <https://zerowastecanada.ca/zero-waste-hierarchy/>.

In addition to this, the Board would ideally represent a wider range of stakeholders including reuse and repair organizations, recyclers, other local governments (perhaps representation from southern BC and the Island), First Nations and environmental NGOs.

In regards to financing, Interchange should further develop variable environmental handling fees based on certain criteria such as lifespan, use of refillables and reusable containers, use of easy to recycle materials (versus materials that are wasted by being burned for energy), etc. to drive product design change as intended by the Canadian Council of Ministers of Environment. The program could incentivize reusable containers and then those that are actually recyclable. The programs should try to phase out the ironically named eco-boxes as well as PVC pouches and try to prevent biodegradable forms of packaging from being used with prohibitive fees. As the Desrosiers report notes, developing standardized containers with a focus on reuse is feasible. It should be a key aspect of this renewed program. UOMA is commended for conducting a study into how the circular economy could be relevant to these products.

The fees should also be set at a higher level to pay for the improvements needed in understanding collection rates, providing more comprehensive collection networks, enhancing awareness (and creating awareness of the expanded list of products and packaging) and fulfilling the mandate for redesign and reuse.

We appreciate seeing the UOMA statement on windshield washer fluid and think that it would be a positive step for Interchange to also set a policy statement that as a PRO, with a producer-dominated board, it will not lobby for weakening of regulations nor reductions of requirements that would go against the pollution prevention hierarchy and intention of EPR regulations (as defined in the CCME Canada-wide Action Plan). This would reduce the risk that as more products are regulated in more jurisdictions, that the PROs themselves become roadblocks to further environmental and social benefits of the programs and innovation (as identified in Zero Waste Europe's [Designing EPR to foster the EU's competitiveness and strategic autonomy](#)).

#### Section 5. Product Available for Collection

Lubricating Oil -the study on consumption on use is helpful and should be used to identify ways the program could minimize loss (such as leak detection and prevention).

Used Oil -The program should also look at ways to minimize the other uses (repurposed oil) where the oil may be burned without proper environmental and health protections. This could be done through a collection model where the program takes ownership of the oil as soon as it is collected from an end user (similar to the HPSA program).

Oil Filters -The program should work to minimize the non-recyclable components of oil filters so that waste to energy is no longer used.

Containers - We encourage Interchange to work with producers and large volume consumers to reduce the number of containers required for recycling, including refill options, and larger bulk

containers to reduce the impact of these containers. The metrics for containers should be both number and weight of containers sold and the same for collected.

We appreciate that Interchange will conduct studies on what is “available for recycling” and feel that having Ministry and third party oversight or verification of the process, definitions and standards used will enhance the trust in BC’s EPR system. This is particularly relevant as some collection levels have been over 100%. With new containers being added, the noted shift in amount of products needed annually per vehicle, the change in some product compositions and other factors noted in the plan, studies done every five years may not be sufficient at this time and we would recommend every two years until the situation is stable and the calculations look reasonable.

Where information is hard to quantify or obtain, the program should also look at comprehensive surveys of end users to better understand material flows.

### Section 6. Collection

Interchange has increased its public collection sites from its low in 2019-2020 in though it is still nowhere near its previous number of collection sites (505 in 2014) and progress seems to have stalled). It has been also working with First Nation communities to improve its collection infrastructure. It is appreciated that Interchange has developed its own standard that is an improvement on the SABC one however, the target for coverage should be that 100% of the population has access to either a collection depot or a pick-up system to return the product and packaging (free of charge to the end user). Interchange’s new standard should be developed in consultation with local governments, First Nation’s communities and the public, address needs identified in the provincial study on consumer access and meet the intent of the Recycling Regulation. Programs should provide service in all municipalities and if no service provider can be contracted, the program itself should set up the collection depot. The program should work with the BC Product Stewardship Council and the Indigenous Zero Waste Technical Advisory Group to determine the underserved communities. A quick analysis of the collection sites from the 2023 annual report showed that the collection sites are not evenly distributed and many communities are still without service. (Note the analysis was done using listed communities which may differ from the municipality in which it exists or service may be provided on a border with a neighbouring community in urban settings. Also no information was provided on depots in First Nation communities though other program announcements show service in some communities). The following is a list of communities without a collection site for 2023 in order of regional district. The program should work to fill in the gaps of service (with the standard being the ability for a consumer to bring in their materials without purchasing a service from a lube shop in each municipality or First Nation’s community [in partnership with IZWTAG]) and publish its annual analysis of progress (similar to the lists below). The use of easily accessible mobile collection is a great step to fill in gaps and to ensure it is meeting the need, a consumer survey should track awareness of these offerings as well in the gap communities.

Interchange Recycling	
Regional District/Community	Population
Granisle	337
Telkwa	1,545
Colwood	21,403
Esquimalt	19,017
Highlands	2,894
Metchosin	5,295
Saanich	125,380
Sooke	16,795
View Royal	12,584
Wells	229
Creston	6,002
Kaslo	1,122
New Denver	516
Salmo	1,305
Silverton	192
Slocan	407
Peachland	6,139
Sicamous	2,809
Canal Flats	860
Kimberley	8,804
Radium Hot Springs	1,443
Sparwood	4,450
Harrison Hot Springs	2,029
Kent	7,006
Hazelton	309
Fruitvale	2,063
Midway	690
Montrose	1,071
Rossland	4,311
Warfield	1,814
Anmore	2,606
Belcarra	712
Langley, City of	33,634
Langley, District Municipality	154,099
Lions Bay	1,473
New Westminster	88,408
North Vancouver, District Municipality	96,857
Pitt Meadows	20,939

Port Coquitlam	66,974
Port Moody	37,676
West Vancouver	47,396
White Rock	24,292
Lantzville	4,197
Qualicum Beach	9,599
Daajing Giids	997
Port Edward	485
Coldstream	11,552
Lumby	2,225
Spallumcheen	5,798
Chetwynd	2,404
Pouce Coupe	787
Taylor	1,370
Sechelt Ind Gov Dist (Part-Powell River)	21
<b>Stikine</b>	<b>779</b>
Zeballos	135
Sechelt Ind Gov Dist (Part-Sunshine Coast)	806
Ashcroft	1,851
Barriere	1,898
Merritt	7,415
Sun Peaks Mountain	1,533

We appreciate the program intention to work with other EPR programs that have similar products or products that can be confused between programs, to ensure a resident or business can still easily recycle a product while both EPR programs guaranteeing that the products will still be recycled responsibly. Product labelling may help to remove this confusion, but the intention to allow some Interchange products to be returned through a similar program (ex. Product Care’s expanded HHW program), without any penalty to the collection site is laudable. The proposed methodology for calculating container recovery is suitable to start and the commitment to refine this through dialogue with interest holders is appreciated.

The program may also wish to do user surveys to understand where and why materials may be uncollected. The 2018 BC survey noted that 39% of residents found recycling used lubricating oil, filters and containers very convenient and another 37% found it somewhat convenient.<sup>2</sup> A target to raise this number as well as an annual survey to measure it would be useful. The survey also noted that up to 10% of respondents may throw program products in the garbage. When asked why these items may have been thrown in the garbage, 23% did not know the item was recyclable, 38% did not know where to take it and 17% said there was nowhere to take it or no way to get it there. This shows some key areas that this program plan should address.

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<sup>2</sup> BC Ministry of Environment and Climate Change Strategy (2018). Consumer Awareness Survey of Extended Producer Responsibility Programs in BC. Accessed at [https://www2.gov.bc.ca/assets/gov/environment/waste-management/recycling/recycle/rel-res/consumer\\_awareness\\_survey\\_of\\_epr\\_2017.pdf](https://www2.gov.bc.ca/assets/gov/environment/waste-management/recycling/recycle/rel-res/consumer_awareness_survey_of_epr_2017.pdf).

A survey of the collection network should be done to understand what areas could be improved from both a collector and customer perspective. This network is an asset and using the collective knowledge would be advantageous. Metrics on customer satisfaction and collector satisfaction should be added to the program with targets suitably high for such an established program. A secret shopper (or dropper) program should be implemented to understand the consumer experience and if the collection sites are welcoming of products. Research should also be done to understand what products are not accepted and how to minimize that (such as poorly labelled containers).

We appreciate that Interchange is offering grants for infrastructure and think that the program should be paying 100% of the programs-specific costs. Events should be used as marketing tools to raise awareness rather than counted as part of accessibility as people are unlikely to store the materials until an event (often irregularly and sporadically timed) may occur.

We suggest that the program take ownership of the materials as soon as they reach a collection site (or event). This would improve the data gathering capacity and guarantee proper handling of materials.

### Section 7. Transportation and Processing

The program is commended for having different collection zones. The plan notes this is part of an incentive system but the plan makes no mention of how the incentives work, how they are different, if they cover all of the costs of collectors and if they are effective.

7.4 Product Management. The Zero Waste Hierarchy should be used to develop systems for the products to be redesigned, reduced, reused and recycled. As noted above, reusable containers are preferable. This could be through a system like Eco Refill (<https://ecorefillsolutions.com/>). It is good that antifreeze and lubricating oil can be recycled back into its original purpose but should there also be a system to reuse any residuals that are in their original state without refining being necessary. The programs should look to understand why some oil cannot be recycled back into lubricating oil and work to address those challenges with a goal to stop burning it. Similarly, can more filters be shifted to recyclable types and containers, when not reusable, be recyclable? The portion of oil that is used in burner units and as fuel for cement kilns needs to be reported separately and NOT counted as recycling -we appreciate the change in reporting practices and suggest that it is labelled as “disposal” until the burning of it is phased out. Similarly “reuse” is for materials used in the same condition as they were returned while recycling is for materials that are processed to ideally be used for similar purposes. Reporting consistent with the *Recycling Regulation* is necessary to avoid greenwashing and consumer distrust.

Work should be done to develop reuse systems for filters as well as research on how to design products to be less toxic, require less of the product or have it last longer.

### 7.5 Landfill Audits

The use of waste composition audits going forward is useful to see if the containers and filters are being captured by the program, and the program should partner with other programs to conduct composition studies annually across BC. The results should be published on the Interchange website, and the details of the studies should be included in the annual report to the BC Government and made public. This data should be used to understand the degree of success of collection given the challenges and estimates of what is available to collect noted in the plan. Any local government or First Nation's government who requests assistance in funding a waste audit that includes Interchange products should receive appropriate funds and not need to go through the SABC request system.

#### Section 8. Paying the Cost of Collection and Management

This is a unique approach that is suitable as long as the accessibility, collection rates and retention of collectors is high. The fact that it is predicated on the accuracy of the predictions amounts for materials available to collect is problematic due to reasons noted above. For collection sites, the assumption that labour, space, equipment, materials and others is part of the cost of doing business may be true for some collection sites but not for others (particularly those for whom collection is the goal and not other aspects like driving increased business). The program **needs to prove** that all collection sites are being adequately compensated for their services and in particular, that local and First Nation governments are not subsidizing the program by offering staffed collection depots, storage, insurance, etc.

We encourage Interchange to collect their products through a secondary PRO **with compensation** to their collectors, rather than *without penalty*. This should be both for empty automotive containers Interchange collects through Recycle BC, and for residual automotive products Interchange redirects to Product Care. The principle should also extend to Recycle BC and Return-It, and more PROs as they coordinate more. Even when a primary PRO has a commercial relationship with a secondary PRO to collect on their behalf, there are some contracts where the secondary PRO explicitly won't compensate collectors for receiving the primary PRO's products/packaging. This results in a funding shortfall for collectors (curbside, multi-family, depot and streetscape). We fully support coordination and cooperation among PROs and see it as a positive step in the evolution of BC's EPR programs. However, compensation formulas and contractual arrangements for collectors must be fair and updated under Interchange, Product Care, and Recycle BC's plans.

Care also needs to be taken that the end fates of the materials are in line with the program plan and it is not clear if this is part of the agreement as if the collector owns the product, it is assumed they sell it to the market. It is also not clear how this may need to change for items of lower value such as the additional forms of packaging or how incentives are changed in the event that the market rates for collected items are no longer sufficient to justify the collectors continuing as collectors or processors as processors.

The previous plan amendment noted challenges with local governments collecting other HHW but not Interchange products. The program should work with local governments to understand what the rationale is for not collecting Interchange materials and work to address them. This

may be more important as the program expands its product suite. As product should be collected in all communities, provision of funds based on volumes collected is a barrier for smaller communities where the same level of service may be required for lower compensation.

The program may need to look more closely at its existing system to see if any changes are needed with the new suite of materials to collect regarding collection systems, processing, incentives and costs as well as looking to the future when electric vehicles are the norm, which may require additional reserves. We support a more robust compensation package for certain collectors in October 2026 based on the results of the next cost study.

## 8.2 Dispute Resolution

The equity of this system needs to be restored. Depots have very little clout. Service providers cannot take a PRO to arbitration. It's too expensive and takes too long. They risk going bankrupt or losing market access. The monopsonies (PROs) are 'too big to fail'. Many PRO contracts can be cancelled if a collector/transporter/processor files a dispute because there is a reputation clause. Some PROs use their monopsony power to silence its service providers with a threat of ending market access. Programs should make their contracts public and there should be no clauses that restrict a partner's ability to dispute an issue. There is a model for dispute with power imbalances for First Nations model and this model should be adapted.

<https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/environmental-assessments/environmental-assessment-process/guidance-materials/indigenous-nation-guidance/dispute-resolution>

## Section 9. Program Marketing and Consumer Awareness

For a program operating as long as Interchange has, it is surprising that the level of consumer awareness is not higher. The 2018 BC report noted above found only 60% of residents were aware that used lubricating oil, filters and containers could be recycled with only up to 46% recycling or returning them. That the Interchange study in 2016 found that 78% of British Columbians were aware of the program is interesting and shows the need for more regular and impartial surveys.

If only 78% of the BC residents (2016 study) were aware of the program, it can be assumed that the collection rate is lower than that for consumers. The goal should be to get 95% of the population aware of the program by 2030 (and later 100%) with work done to increase awareness of the new range of products. To do otherwise is to continue to externalize costs to the public and the environment. The program could also pursue disposal bans with local governments as a way to ensure consumers do the right thing but also that they are aware that throwing these products away is not appropriate. More research should be done on the portion of product that is not collected to understand who is not participating in the program and what marketing and behaviour change initiatives are needed.

Interchange should consider the need to provide information in multiple languages based on the make-up of the communities in BC. Programs may also need to connect with different

audiences if there are different kinds of products used by different markets. Consider the demographics of BC with regard to languages and ensure the materials are produced in the suite of languages needed to reach multiple demographics.

Interchange members should label their products so consumers know where to take them.

#### Section 10. Performance Measures and Targets

These performance measures, targets and reporting commitments should be included in the plan so that a permanent written record can be established.

I. Consumer Access

The target for accessibility should be for 100% of residents living in a municipality (or First Nation community that wishes it) to have access to a collection facility in their community (with more facilities for those living in cities). This should be met by 2028. Collection events should be counted under marketing, not accessibility.

II. Sales, Collection and Capture Rates

As noted, the criteria for what counts as available for collection should be defined by the MOEP and audited and monitored by a third party. Under capture rate, those numbers should be the baseline and the target should be 100% (especially as the plan notes incentives will be adjusted to reach the target so care must be taken to avoid reductions in incentive levels if a target were set too low). The target should be met by 2027. Both weight and number of units for containers should be reported. Ideally reporting is also given by community (and not just Regional District).

III. Consumer Awareness & Education

For a program with as long a history as this one, the target for each category should be 95% increasing to 100% by 2031. It is not necessary to know the name of the program but rather that a program or system exists to responsibly handle the materials.

Consumers should know where to find the information but this may vary -for example a local government may have a very strong communications program or a business may advertise this and this information should help to inform Interchange about what works and where gaps exist but this section does not show what would qualify as a correct answer.

IV. Product Management

As noted before, the correct definitions for the levels of the hierarchy should be used. There should be firm targets for each level and not just a commitment to report. There should be a target for refill and reuse (aim for 50% for oil and antifreeze by 2031) as well as for a decrease in multi-material, hard to recycle products (decrease of 5% per year). There should be a target to phase out burning of program materials (0% by 2030).

V. Audits

All information should be audited where possible.

### Section 11. Consultations on Plan Implementation and Operation

Interchange should ensure the general public is participating in the consultations, as well as provide details on how they will target and include both residential users, small businesses and large volume generators in the consultation process. An effort should be made to meet the people where they use the products, not just at the collection sites, since limiting consultation to the collection site, they are only capturing people who already know of, and use, the program. At the very least, for program consultations, all previous correspondents with the program should be notified by email and asked to share the request.

### In conclusion

The program plan has a good basis but needs stronger targets and more ambition in achieving the outcomes intended by the CCME Canada-wide Action Plan for EPR. Some of the more ambitious direction could include more fully addressing some of the suggestions from the consultation for the previous plan. Another area that could be examined is the issue of the products entering the marine environment and oil containers used for boats ending up as shoreline litter. This plan renewal is an opportunity to reduce environmental impacts and the efforts and initiatives in this area should be strengthened, alongside the creation of related targets for reuse and reduction. That said, we look forward to continued improvement of this program.

Sincerely,  
Sue Maxwell  
Chair,  
Zero Waste BC