



Ministry of Environment
Attention: Director, Extended Producer Responsibility Programs
PO Box 9341, STN PROV GOVT
Victoria, BC V8W 9M1

Via Email: ExtendedProducerResponsibility@gov.bc.ca

June 30, 2020

Dear Director:

Re: 2019 BC Paint and Household Hazardous Waste Annual Report

Pursuant to the British Columbia Recycling Regulation, 449/2004, issued under the Environmental Management Act (O.C. 995/2004), please find attached the Product Care Association annual report for the Paint and Household Hazardous Waste Stewardship Program for the period January 1, 2019 through December 31, 2019.

Please provide confirmation of receipt. We will also post the report on Product Care's website as per the requirements in the Regulation.

If you have any questions regarding this report, please contact me at (778) 331-6968 or mannie@productcare.org.

Yours truly,

A handwritten signature in blue ink, appearing to read "Mannie Cheung", with a stylized flourish extending to the right.

Mannie Cheung
Vice-President, Operations
Product Care Association

Product Care Association Paint and Household Hazardous Waste Annual Report 2019

Submitted to: Director, Extended Producer Responsibility Section
BC Ministry of Environment and Climate Change Strategy
PO Box 9341, STN PROV GOVT
Victoria, BC, V8W 9M1

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June 30, 2020



productcare.org

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1 Executive Summary

The BC Paint and Household Hazardous Waste (HHW) Program (“Program”) has been in operation since 1994 under the operation and management of Product Care Association of Canada (“Product Care”). The Program operates pursuant to the requirements of the *British Columbia Recycling Regulation* (BC Reg 449/2004 as amended) (“Regulation”) under the Province’s *Environmental Management Act*, as well as the British Columbia Paint and Household Hazardous Waste (HHW) Product Stewardship Plan (“Program Plan”) approved by the British Columbia Ministry of Environment and Climate Change Strategy (BCMOECCS) on November 20, 2018. This annual report reports on the performance of the Program as required pursuant to Section 8(2) of the Regulation for the period January 1 to December 31, 2019.

Products within plan	<ul style="list-style-type: none"> • Architectural paints and coatings (household); paint aerosols (consumer, industrial and automotive) • Domestic pesticides • Flammable liquids and aerosols • Gasoline
Program website	https://www.productcare.org/province/british-columbia

The Program’s performance information required pursuant to s.8(2) of the Regulation is provided below.

Recycling Regulation Reference	Topic	Summary of Activities in 2019
Part 2, Section 8(2)(a)	Public Education Materials & Strategies	<ul style="list-style-type: none"> • Commitment to conduct a consumer awareness survey every two (2) years. In 2019, 76% of BC consumers were aware they can recycle paint in the province and 68% were aware they can recycle HHW in the province. • Productcare.org provided consumers with content about the Program, with a “Find a recycling location” tool, collection site hours and operations, and accepted product lists. • Productcare.org provided service partners and members with content about the program, membership, regulatory documentation, stewardship plans, annual reports, product lists and fee schedules. • Point of sale and point of return materials were available for reorder, free of charge, upon request. • Print ads published in CPCA Insight, Office Space and Green Space magazines, and in municipal calendars for Chilliwack, Summerland, Mission, Penticton, and Oliver. • Digital advertising: The Weather Network, Google search,

		<p>YouTube, Google display, Facebook and blogs.</p> <ul style="list-style-type: none"> • Participated in community events (e.g. City of Surrey's Party for the Planet) • Collaborated through RCBC's Hotline and Recyclepedia.
Part 2, section 8(2)(b)	Collection System and Facilities	<ul style="list-style-type: none"> • An increase of one collection site in 2019, for a total of 222 collection sites as of December 31, 2019. • Of the 222 collection sites, 117 were paint-only and 105 were HHW¹ collection sites. • See Appendix A for locations of collection sites. • Participated in eight collection events in 2019. • The Program's collection network and collection events provided service to 28 First Nations communities.
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	See Section 5.
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<p><u>Paint:</u></p> <ul style="list-style-type: none"> • Reuse: 2.1% of all paint collected by the Program was reused through the PaintShare Program. • Recycling: 93.8% of water-based (latex) paint was recycled back into paint and coating products or used as a raw material in the manufacturing of concrete products. • Energy recovery: 100% of solvent-based (alkyd) paint and 6.2% of water-based paint was sent to energy recovery as an alternative energy source in licensed incinerators. • Landfill: No paint was sent to a landfill. <p><u>Paint containers:</u></p> <ul style="list-style-type: none"> • 100% of metal containers were recycled. • 77% of #2 plastic containers were recycled. The remaining 23% were used as an alternative energy source in licensed incinerators. • 99.9% of #5 plastic (polypropylene) containers were used as an alternative energy source in licensed incinerators, and 0.1% were

¹ The Program contracts with collection sites that accept paint and sites that accept paint and household hazardous products, referred to as "HHW" sites or "Paint Plus".

		<p>recycled.</p> <p><u>Paint aerosols and containers:</u></p> <ul style="list-style-type: none"> • Energy Recovery: 100% of paint aerosol residuals were sent to energy recovery as an alternative energy source in licensed incinerators. • Recycling: 100% of paint aerosol containers were recycled. <p><u>Flammables liquids and containers:</u></p> <ul style="list-style-type: none"> • Energy recovery: 100% of flammable liquids were sent to energy recovery as an alternative energy source in licensed incinerators. • Recycling: 100% of flammable liquid containers were recycled. <p><u>Pesticides and containers:</u></p> <ul style="list-style-type: none"> • Incineration: 100% of pesticides. • Recycling: 100% of pesticide containers were recycled. <p><u>Gasoline and containers:</u></p> <ul style="list-style-type: none"> • Energy recovery: 100% of gasoline liquids were sent for energy recovery as an alternative energy source in licensed incinerators. • Recycling: 100% of gasoline containers were recycled.
Part 2, section 8(2)(e)	Product Sold and Collected and Recovery Rate	<p>Recovery rates:</p> <ul style="list-style-type: none"> • Paint, 9.6% • Flammable liquids/gasoline, 5.3% • Pesticides, 18.1%
Part 2, section 8(2)(e.1)		See Section 7 for the collection volumes breakdown by regional district.
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	See Appendix C for the audited financial statements for the reporting year.

The Program Plan sets out a number of key performance measures for the Program. The following chart summarizes the performance in 2019 and Product Care's strategies for improvement going forward, where applicable.

In accordance with BC's Recycling Regulation, the Program's annual report is subject to an independently verified third party non-financial audit. See Appendix D for the auditor's report.

Comparison of Key Performance Targets		
Priority Extended Producer Responsibility Plan Targets	2019 Performance	Strategies for Improvement
Collection System and Accessibility		
Maintain a minimum of 219 contracted collection sites in total	<ul style="list-style-type: none"> • 222 collection sites 	N/A
Maintain a minimum of 95% accessibility rate to a collection site based on SABC Accessibility Standard for Paint and HHW (Paint Plus) ² collection sites respectively	<ul style="list-style-type: none"> • 99.7% accessibility rate for collection sites accepting paint • 98.4% accessibility rate for collection sites accepting HHW (Paint Plus) 	N/A
Collections		
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Paint (Non-aerosol & Aerosol), 4.2% annual increase	<ul style="list-style-type: none"> • Paint CCV was -12.9% below target for 2019 	<ul style="list-style-type: none"> • Roll out of Commercial Painter Outreach Strategy (see section 3) • Implementation of Residential Segmentation Strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Solvent & Flammable liquids, 8.75% annual increase	<ul style="list-style-type: none"> • Solvent & flammable liquids CCV was -7.0% below target for 2019 	<ul style="list-style-type: none"> • Implementation of Residential Segmentation Strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Pesticides, 7.85% annual increase	<ul style="list-style-type: none"> • Pesticide CCV was -43.5% below target for 2019 	<ul style="list-style-type: none"> • Implementation of Residential Segmentation Strategy (see section 3)
Consumer Awareness		
Percent of population aware of the program: 70%	<ul style="list-style-type: none"> • 76% of consumers were aware they could recycle paint in the 	<ul style="list-style-type: none"> • Commercial Painter Outreach Strategy (see section 3)

² The Program also refers to HHW collection sites as “Paint Plus” sites.

or more for paint and HHW	<ul style="list-style-type: none"> • province • 68% of consumers were aware they could recycle HHW in the province 	<ul style="list-style-type: none"> • Residential Segmentation Strategy (see section 3) • Continue to increase Program awareness
Management of Collected Materials		
Recycle a minimum of 75% of water-based (latex) paint	<ul style="list-style-type: none"> • 93.8% of water-based paint was recycled • 6.2% was sent for energy recovery • None was sent to a landfill 	N/A
100% of solvent-based (alkyd) paint sent to energy recovery	<ul style="list-style-type: none"> • 100% of solvent-based paint was sent to energy recovery. 	N/A
Strive for 100% recycling of metal & HDPE (#2) paint containers	<ul style="list-style-type: none"> • 100% of metal paint containers were recycled • 77% of #2 plastic paint containers were recycled 	<ul style="list-style-type: none"> • Continue to seek recycling options for #2 HDPE paint containers
100% of polypropylene (#5) paint containers sent to energy recovery	<ul style="list-style-type: none"> • 99.9% of #5 plastic (polypropylene) containers were used as an alternative energy source in licensed incinerators, and 0.1% were recycled 	N/A
100% of flammable liquids sent to energy recovery	<ul style="list-style-type: none"> • 100% of flammable liquids were sent to energy recovery as an alternative energy source in licensed incinerators 	N/A
Strive for 100% recycling of flammable liquid containers	<ul style="list-style-type: none"> • 100% of flammable liquid containers were recycled 	N/A
100% of pesticides sent for incineration	<ul style="list-style-type: none"> • 100% of pesticides were sent for incineration 	N/A
Strive for 100% recycling of metal & plastic pesticide containers	<ul style="list-style-type: none"> • 100% of metal & plastic pesticide containers were recycled 	N/A
100% of gasoline sent to energy recovery	<ul style="list-style-type: none"> • 100% of gasoline liquids were sent for energy recovery as an alternative energy source in licensed incinerators 	N/A
Strive for 100% recycling of gasoline containers	<ul style="list-style-type: none"> • 100% of gasoline containers were recycled 	N/A

2 Program Outline

The BC Paint and Household Hazardous Waste (HHW) Program (“Program”) has been in operation since 1994 under the operation and management of Product Care Association of Canada (“Product Care”). Product Care is a federally incorporated, not-for-profit product stewardship association formed in response to stewardship regulations and is governed by a multi-sector industry board of directors, including representatives from the paint and HHW sectors with a commercial presence in BC.

Producers of designated products are required to meet the obligations set out in British Columbia’s *Recycling Regulation* (BC Reg 449/2004 as amended) (“Regulation”) under the Province’s *Environmental Management Act*. Accordingly, the Program operates pursuant to the requirements of the Regulation and the British Columbia Paint and Household Hazardous Waste (HHW) Product Stewardship Plan (“Program Plan”) approved by the British Columbia Ministry of Environment and Climate Change Strategy (BCMOECCS) on November 20, 2018. This annual report reports on the performance of the Program as required pursuant to Section 8(2) of the Regulation for the period January 1 to December 31, 2019.

The Program is funded by membership fees, known as environmental handling fees (“EHF”), remitted to Product Care by its members based on the volume of sales of products identified in the Program Plan (“Program Products”). A current list of Program members is available here:

<https://www.productcare.org/members/membership-documents>

3 Public Education Materials and Strategies

In 2019, Product Care implemented a number of different tactics to educate and raise consumer awareness of paint and HHW recycling in accordance with regulatory requirements. The following section provides details regarding the Program’s communication and public education activities in 2019.

Consumer Education Activities

Website

In January 2019, Product Care’s website (regeneration.ca) was replaced with a new website, productcare.org. The new website reflects a refreshed, consolidated brand focused on an improved user experience for consumers, industry and members. Similar to regeneration.ca, the new site includes the following content for the Program:

- The “Find a recycling location” tool (a map displaying collection site locations and hours of operations, and drop-off events)
- Lists of accepted (program) and not accepted products
- Information about Product Care, including annual reports, program plans, and membership information
- Important consumer information (e.g., information on purchasing the right amount of paint, a

description of the programs, and PaintShare, etc.)

- Program member support centre with news and updates
- Consumer videos showing the product management approach for program products
- An online fillable form for ordering promotional materials like rack cards and posters
- Information for consumers on how to manage paint and HHW in a safe manner
- Information on commercial volume program

An estimated 527,307 unique visitors accessed *productcare.org* during the 2019 calendar year. The British Columbia section (including sub-sections for accepted products, fee information, and PaintShare) received 390,821 page views. In addition, there were 102,974 searches through the “find a recycling location” for collection sites of Product Care programs operating in British Columbia.

Television Advertising

To reach all British Columbians in 2019, television commercials aired on Global TV from July to September 2019, resulting in approximately 8,014,300 impressions. In addition, static TV advertisements aired alongside current news and weather programs from July to September 2019, yielding more than 13,860,000 impressions.

Program Hotline

Product Care continued to operate a toll-free hotline (1-877-592-2972) for consumers to obtain information about the Program.

The Program also participated in the Recycling Council of British Columbia (RCBC) recycling hotline service (1-800-667-4321 or 604-RECYCLE). Consumers were able to contact RCBC operators during business hours and obtain information about return options for paint and HHW products.

Collection sites were included in the Recyclepedia app. developed by RCBC. Recyclepedia is a free smart phone app that allows users to locate +1000 recycling sites for over 70 products types in BC, including paint and HHW products. The app creates a list of the 10 closest recycling sites for an item based on users’ current location and the product they select in the app’s product menu.

These three platforms received a combined total of 6,258 inquiries about paint and HHW products in 2019.

Earned Media Advertising

To broaden awareness of Product Care’s programs in the community, in May 2019, the Program pitched an earned media story to BC news outlets, focusing on artist Jan de Beer’s use of recycled paint—using paint from Product Care’s PaintShare program in his art exhibition, *Tides*. His art was displayed at Science World, promoting Product Care Recycling’s PaintShare program, the use of recycled products in art and by extension the broader Program. The earned media campaign garnered more than 2.3 million impressions and media coverage included (but was not limited to):

- *The Vancouver Sun* newspaper
- *The Georgia Straight* newspaper
- *Daily Hive* newspaper
- *Canadian Paint & Coatings Association Annual Conferences* article

Digital Advertising

Consumer awareness data continues to show that internet/digital media remains a primary source of information for BC residents. As a result, the Program increased its digital marketing efforts in 2019. All digital campaigns listed below reached the entire province and garnered more than 6.1 million impressions.

1. *Google Search Advertising Campaign: January to December, 2019*
A search advertising campaign served paint ads to provincial residents based on an extensive list of keyword searches relevant to the Program. British Columbia's ads collectively generated 28,812 impressions.
2. *YouTube Video Advertising Campaign: June to September, 2019*
A British Columbia specific campaign served Product Care's branded paint and HHW explainer videos as YouTube in-stream and pre-roll ads. The ads were targeted to provincial residents who had expressed an interest in relevant topics such as Home & Garden. The ads generated 113,404 impressions and were viewed 41,415 times, a view rate of 35%.
3. *Google Display Advertising Campaign: January to December, 2019*
British Columbia specific display advertising campaign served Program-related ads to provincial residents based on increasingly refined targeting. The ads received a total of 3,734,676 impressions. These ads were specifically targeted to internet users who performed online searches related to paint and HHW purchasing, usage, and disposal in British Columbia. Secondary targeting focused on individuals searching for home improvement and DIY-related terms, in order to reach a wider, but still relevant, population. In addition, Google Display ads specifically promoting the PaintShare program received 1,078,723 impressions in BC in 2019.
4. *Facebook Advertising Campaign:*
British Columbia specific campaign promoted the Program, targeting the province's residents on an ongoing basis. Facebook ads and video ads promoting the PaintShare program resulted in 150,362 impressions in BC.
5. *Gated Facebook Content Strategy:*
Posts on Facebook included British Columbia specific content, available only to provincial residents, focused on paint recycling, special waste and the recycling community in general. Topics of these gated posts included information regarding safe management of paint and HHW, collection sites in the province, local recycling news and stories, and promotion of environmental events taking place in the province (for example, an Earth Day celebration at Habitat for Humanity in Victoria). Targeting

these posts ensures they are seen by the right communities and that clear, correct, province-specific information is available to BC residents. It also provides the opportunity to share program-specific web pages, such as the British Columbia Paint and HHW pages, allowing consumers to easily navigate to information that is relevant to them.

6. *Targeted blog posts:*

More than 30 blog posts were targeted at relevant audience members including, but not limited to, homeowners, female heads of households, and environmentally-inclined individuals in British Columbia. Topics included specific information on paint recycling, “do it yourself” (“DIY”) content, renovation tips, and sustainability best practices. All posts included a call-to-action to find a collection site or interact with the brand on social media. Collectively, these posts received 62,141 views.

7. *The Weather Network Display Campaign: July to September, 2019.*

Display ads ran on the Weather Network app. British Columbia’s paint ads collectively generated 853,346 impressions. HHW ads collectively generated 121,677 impressions.

8. *Monika Hibbs partnership:*

A partnership with lifestyle writer Monika Hibbs featured a post promoting paint recycling and PaintShare on her website. This promotional post was complemented by Facebook and Instagram posts from Monika Hibbs to amplify key messaging. The post on Monika Hibbs’ website received over 2,500 views, and over 50,000 impressions on Instagram.

See Appendix B for examples of all digital advertising activities.

Community Events and Partnerships

Product Care attended events with the goal of educating the public on the importance of waste diversion and recycling, including:

- Party for the Planet (City of Surrey): April 14
- Vancouver Pride Festival: August 5

At these events, knowledgeable staff interacted with thousands of event attendees through a direct engagement program including trivia, giveaways, branded print materials, and other activities.

Product Care also sponsored Science World’s BC Green Games, which is a digital eco-storytelling contest for schools throughout British Columbia. As part of the sponsorship, Science World’s “On the Road” team visited schools across the province and educated more than 36,000 students on paint recycling. In addition, the BC Green Games website listed Product Care as a sponsor with a description of its recycling programs.

Print Advertising

Print ads focusing on general consumer education were published in the municipal calendars for Chilliwack, Summerland, Mission, Penticton, and Oliver. Approximately 48,000 calendars were distributed between the five areas.

Point of Sale (PoS) and Point of Return (PoR) Materials

In 2019, Product Care distributed both PoS and PoR materials as requested by retailers and collection sites. The following materials were available for order, free of charge, through the online form:

- Brochures
- Wallet reminders
- Posters

See Appendix B for examples.

Residential Consumer Awareness Survey

Per the commitment in the Program Plan to conduct a consumer awareness survey every two years by an independent third party survey company, Product Care conducted an online survey of 1,005 residents representative of British Columbia's adult population in September 2019. The survey asked residential consumers the question "to the best of your knowledge, are you aware of the ability to recycle [paint /HHW] products in British Columbia." The survey found that:

- 76% of consumers are aware they can recycle paint in the province, exceeding the 70% target outlined in the Program Plan.
- 68% of consumers are aware they can recycle HHW in the province. This is two percentage points below the 70% Program Plan commitment; within the margin of error for a survey of this size.

The Program commits to reporting for paint and HHW where additional focus is required to raise awareness. As noted, consumer awareness levels for HHW have increased significantly over the past year supported by commensurate increases in collection volumes (see Table 10 below). Survey results show only 56% of residents have purchased and used designated HHW products, in contrast to survey findings that 75% of residents have purchased and used designated paint products. These findings reinforce the point that recycling of HHW is not an issue for nearly half of the adult population and indicate that expectations regarding consumer awareness for this product category should not be compared to other more commonly used consumables.

With respect to recycling behaviours, three-quarters (77%) of people who purchase an HHW product indicate that they manage the product responsibly at end-of-life, by taking it to a collection site or hazardous waste facility, or storing it for later use. Those who indicated they don't know they can recycle HHW products, or where to take them for recycling, are more likely to be renters living in condominiums/apartments. Consumers tend to recycle HHW and other Program Products when they are no longer needed or usable, as well as when they are cleaning their house or moving.

Survey findings also suggest that young adults (ages 18-29) are less likely to be aware of recycling options and proper product management. Young adults were the most likely to cite they didn't know HHW products could be recycled or where to take them. They were also the least likely to take HHW products to a recycling depot.

Market research continues to show a consistent trend in use of the internet to access recycling information. Overall, respondents indicated that an internet search was the first place they go for information when a product is not accepted in their local curbside recycling program. The 18-29 age group were the most likely to cite the internet and social media as a primary information source. An exception were those older than 60, the majority of whom indicated they would reach out to their municipality or regional district first for information.

The Program continues to explore opportunities to raise awareness. Findings from the 2019 consumer awareness survey suggest specific market segments that the Program can target going forward. Specifically, those who purchase HHW products are more likely:

- To live in detached or semi-detached homes rather than in condominiums or apartments
- Own rather than rent.

Based on the available market research, the Program will target its marketing regarding the recycling of HHW products at the following market segments:

- Homeowners, specifically those who are moving and those renovating their homes.
- Young adults through year-round digital advertising
- Seniors (60+) through print resource materials in local government offices, municipal resident support phone lines (e.g. 311) and community garbage calendars.

Segmentation Analysis and Strategy

The Program committed to conducting an analysis of residential consumers in 2019 to identify sub-groups of residential consumers who are primary users of Program Products and to develop a strategy to engage them.

Based on a review of available consumer information, including both primary research (i.e. bi-annual consumer awareness surveys), industry data (e.g. sales trends), data from digital marketing campaigns and data about paint consumer behaviour from publicly available sources, the study identified several key trends relevant to consumer awareness around paint and HHW recycling in BC:

- Internet is a top source of information for the entire province, but especially so for young people and those in urban settings
- Municipal government is a key source of information for older consumers in smaller communities
- Home owners are significantly more likely to purchase paint and HHW than renters
- Those living in detached and semi-detached homes are significantly more likely to purchase paint and HHW than those living in condos

- Consumers are most likely to recycle paint and HHW when they no longer need it, eg. a house cleaning event or moving residences
- Renters and young people are more likely to participate in the PaintShare program
- The vast majority who have previously purchased paint currently have stored paint

The above findings suggest three core consumer segments to target through public education efforts:

1. **Home owners** – primary target group, representing the largest user segment
2. **Young urban populations** –future recyclers, and current users of PaintShare
3. **Older rural populations** –those who already recycle and are seeking additional information

Implementation of the strategy will start in 2020 and has been incorporated into the communications plan. Marketing campaigns will continue to reach the general public across BC, focusing on homeowners and renters. This will be augmented by the implementation of the residential segmentation strategy targeting the three sub-groups identified above. For homeowners, tactics will target people who are moving and those renovating their homes. For young urban populations, year-round digital advertising will be used to build awareness of paint recycling and a call-to-action to use PaintShare. For older rural populations, engagement will be encouraged through local municipalities and recycling hotline.

Industry-focused strategies and tactics

For the commercial sector, the program committed to a commercial user strategy. Awareness strategies utilized in the residential/consumer sector for paint recycling will naturally also increase awareness in the commercial sector. However, commercial painters and other industrial, commercial and institutional (IC&I) users of Program Product have different means of obtaining information, that may require additional strategies and tactics. Consequently, the Program committed to the following tactics to increase awareness of paint recycling in the commercial sector:

- Attending at least two industry events annually
- Advertising in paint and coatings industry publications annually
- Within the first full calendar year following plan approval, conduct a targeted outreach to the trade painters to:
 - Identify opportunities and challenges to raise awareness of the Program
 - Develop a campaign to raise awareness amongst commercial painters
 - Provide a qualitative report on this initiative in the Program's annual report

Each of these commitments are addressed below in turn.

Industry Events

To meet the target of attending two industry events in 2019, the Program exhibited at BUILDEX Vancouver in February 2019. This two day-long trade show and conference attracted over 14,000 industry professionals from the construction, property management, interior design, renovation, and architecture industries.

Product Care Recycling was also a corporate sponsor of the Canadian Paint and Coatings Association Annual Conference & AGM in Vancouver. Product Care President, Mark Kurschner, gave a presentation on paint recycling on May 23, 2019.

Print Advertising

The Program placed advertisements in the following industry publications:

- An inside cover print ad and article were featured in *CPCA Insight* Trade Publication. Seven thousand copies were distributed to industry members.
- Half page ads were published in *Office Space* and *Green Space* magazines, targeting the Program's direct pickup service for commercial volumes. Combined circulation of these publications was 21,700 copies.

See Appendix B for examples of print advertising activities.

Commercial Painter Outreach Strategy

In addition to the industry-focused tactics above, the Program undertook research to inform development of a campaign to raise awareness of paint recycling amongst commercial painters in BC. Primary research included qualitative interviews with paint industry representatives in the summer and fall of 2019. All interview participants were involved commercial paint sale business, representing a significant portion of the total sales in the province. Secondary research was undertaken to identify the public-facing tools used to engage trade painters, such as events, publications, associations, social media and websites.

The research identified several key challenges and opportunities to engage trade painters.

Opportunities:

- Trade painters largely connect in-person.
- In-person engagement by existing sales representatives and staff members at retail locations is the most effective means of communication.
- Painters who work for larger companies are more likely to engage digitally.
- There are multiple private industry events in BC, hosted by private companies, in which trade painters are the main audience.

Challenges:

- The majority of trade painters are less tech-friendly in their professional capacity and have limited use of social media and online sources.
- No public industry events that targeted the BC trade painter audience specifically were identified during the research process.
- The only print publication identified as likely to engage trade painters in BC was Professional Painter Magazine.
- Distributing materials to customers on behalf of the Program could be perceived as a burden of time on distributors/wholesalers, reducing their willingness to assist.

Informed by the research findings, a comprehensive engagement strategy was developed where Product Care would work in partnership with paint distributors/retailers to raise awareness amongst commercial painters. The strategy includes a range of tools and tactics for paint distributors/retailers to use depending on their approach to marketing to their commercial customers:

1. **Direct mailer** – campaign print material that can be sent directly to paint contractors in BC.
2. **Private events** – partner with paint producers/retailers to host an information booths at their private industry events targeting commercial painters.
3. **Newsletter advertising** – advertise in Producer/retailer/industry association newsletters, such as an ad in the Master Painter Institute’s online newsletter.
4. **Invite paint companies to promote the Program**– provide companies with the following toolkit:
 - a. Email/memo, regarding the campaign, to distribute to sales representatives and other staff who engage directly with commercial painters.
 - b. One-page information sheet resource for distributors/retailers to share with their commercial painter customers.
 - c. Campaign social media template posts for distributors/retailers to post on their social media accounts.
 - d. Paragraph description of the paint recycling Program and large volume direct pick-up service, to add to company websites, newsletters, etc.;
 - e. Website tile that links to the Product Care website URL and can be placed easily on company websites.
 - f. Reminder that point of sale materials are available to order through an online form.
 - g. Offer to attend team meetings of corporate sales teams, to provide information on the paint recycling Program, large volume direct pick-up service and trade painter awareness campaign.

The Commercial Painter Outreach Strategy will be initiated in 2020.

4 Collection Systems and Facilities

As of December 31, 2019, Product Care contracted with 222 permanent collection sites in British Columbia to provide convenient locations for consumers to drop off unwanted Program Products; exceeding the Program Plan commitment to maintain a minimum of 219 contracted collection sites. Of the 222 locations, 117 were paint collection sites that collected leftover paint products only, including paint aerosols. The remaining 105 were HHW collection sites that collected paint and household hazardous products (i.e., flammable liquids, pesticides and gasoline). Of the 222 locations, 121 were part of the PaintShare program, providing paint to customers for free.

One (1) HHW site and three (3) paint sites were added in 2019, while one (1) HHW and two (2) paint sites were removed, representing a net increase of one (1) site from 2018. In addition, three (3) sites were changed from HHW to Paint only. Table 1 provides a comparison of 2018 and 2019 collection site numbers and Table 2 lists the specific changes in the collection system in 2019. Table 3 lists the collection sites by Regional District. A complete list of contracted collection sites as of December 31, 2019 is provided in Appendix A.

Table 1: Paint and HHW Contracted Collection Sites, 2018 and 2019

Collection Site Type	2018	2019
Paint	113	117
HHW	108	105
Total Permanent	221	222

Table 2: Collection Site Changes in 2019

Collection Site Name	Location	Change from 2018
General Grants Sahali	Kamloops	New HHW collection site
Kamloops Home Hardware Building Center	Kamloops	New Paint collection site
Rona Langley	Langley	New Paint collection site
Salmo ValuMart & Bottle Depot	Salmo	New Paint collection site
R3 Recycle-It Resource Recovery	Fort St. John	Changed from HHW to Paint
East Van Bottle Depot	Vancouver	Changed from HHW to Paint
Houston Bottle Depot	Houston	Changed from HHW to Paint
Bill's Bottle Depot	Salmon Arm	CLOSED HHW collection site
Scotch Creek Bottle Depot	Scotch Creek	CLOSED Paint collection site
RONA - Tyee Building Supplies	Prince Rupert	CLOSED Paint collection site

Table 3: Summary of Collection Sites by Regional District in 2019

Regional Districts	Number of Collection Sites
Alberni Clayoquot	3
Bulkley Nechako	9
Capital	12
Cariboo	6
Central Coast	3
Central Kootenay	5
Central Okanagan	3
Columbia Shuswap	6
Comox Valley	4
Cowichan Valley	7
East Kootenay	5
Fraser Fort George	5
Fraser Valley	12
Kitimat Stikine	4
Kootenay Boundary	6
Metro Vancouver	54
Mt. Waddington	6
Nanaimo	6
North Coast	4
North Okanagan	5
Northern Rockies	1
Okanagan Similkameen	9
Peace River	7
Qathet	2
Squamish Lillooet	9
Strathcona	4
Sunshine Coast	4
Thompson Nicola	21
Total	222

Product Care also supplements the collection system with a number of one-day collection events, often carried out in collaboration with a municipality or regional district. Product Care participated in 8 collection events in 2019, some of which accepted paint only and others both paint and HHW products. See Table 4 for a list of collection events.

The Program provided service to more than 28 First Nations communities through various means, including permanent collection sites, collection events and direct service, as required.

Table 4: Collection Events in 2019

Date	Event Location
April 17, 2019	Savona
April 30, 2019	Delta
May 11, 2019	Mission
May 25, 2019	McBride
September 7, 2019	Castlegar
September 22, 2019	Nakusp
October 5, 2019	Chilliwack
October 26-27, 2019	Langley

Accessibility

The Program measures consumer access to permanent collection facilities in accordance with the Accessibility Standard established by the Stewardship Agencies of BC (SABC). SABC defines reasonable access as a 30 minute drive or less to a collection site in urban areas with a population of 4,000 or more and a 45 minute drive or less in rural areas with a population of 4,000 or more. The Program commits to providing a minimum of 95% of the population that meets the Standard with access to a permanent collection facility. The 95% is viewed as the minimum standard and the Program works to providing access to the remaining provincial population, primarily in rural and remote areas.

Accessibility levels were determined through a GIS analysis of the network undertaken by, an independent third-party consultant. The network was analyzed by collection site type, applying widely accepted GIS practices. Collection site locations were geocoded using address locations and a provincial road network file was used to create a network dataset that could be used to calculate the driving times from population points to collection sites. A dissemination block digital boundary file and population data was used to clip each dissemination block to the area within a 500 m buffer of the provincial road network. Each block was classified as being urban, rural or excluded according to scenarios defined by SABC. The total accessibility was calculated by summing the total population of dissemination blocks that met the following accessibility criteria specified by SABC. Table 5 provides the total SABC population with access to collection locations as at December 31, 2019.

Table 5: SABC Population with Access to Collection Sites in 2019 and Targets

Collection site Type	Accessibility Target	Total SABC population with access
Accepting HHW	95%	98.4%
Accepting Paint	95%	99.7%

The accessibility rate for HHW collection sites was 98.4%. The accessibility rate for sites accepting paint was 99.7%. Both exceed the accessibility target of 95% according to the SABC Accessibility Standard.

Waste Composition Audits

To confirm that program products are being successfully diverted from landfill, the Program participates in waste composition audits undertaken by local governments in collaboration with other stewardship organizations. The Program is committed to participating in all waste composition studies committed to by SABC. The Program reports out on the number and location of waste composition audits conducted annually and the amount of program products identified, as applicable.

In conjunction with SABC, one waste composition audit took place in the Cariboo Regional District in 2019. The study was conducted by Tetra Tech at three sites: Quesnel, Williams Lake and 100 Mile House. The audit methodology included visual and hand sorting of waste into 159 categories. The audit found 113 units of program products, including paint, solvents and gasoline products (see Table 6).

Table 6: Units of Program Products Identified

Product	Units
Aerosol paint (units containing residual)	1
Aerosol paint containers	22
Domestic pesticides	0
Flammable liquids	69
Gasoline	1
Paint containers	9
Paint/coatings (units containing residual)	11
Total	113

5 Product Environmental Impact Reduction, Reusability and Recyclability

The paint and coatings sector continues to move forward on many fronts with improvements in product formulation with a focus on design for the environment (DfE). This section highlights developments in 2019, including innovations in product formulation, assessment and reassessment of chemicals of concern, use of alternative ingredients based on informed substitution, further reductions in VOC emissions from paint, integration of sustainability reporting into business planning, exploring integration of life-cycle and sustainability metrics accounting principles, increasing alignment with international sustainability goals, investment in bio-based alternatives, and advances in the development of Product Category Rules and Environmental Product Declarations. All of these measures continue to produce paint and coatings products that are less harmful and more sustainable with respect to the recycling of those products.

Canada's Chemicals Management (CMP)

The paint and coatings industry is continually pursuing innovations in product formulations that strike a balance between sustainability, health, safety and product performance. An example of industry's sustainability initiatives includes involvement with the federal government's CMP. This comprehensive federal government initiative assesses chemicals in commerce for all industry sectors, including paint and coatings, and

evaluates risks associated with substances contained in products and intended uses or applications of the product. These risk assessments are done with a view to banning highly toxic substances that are considered dangerous to human health and the environment or managing the risks in the ones that are deemed to be less harmful.

The CMP entered its third phase in 2019 and identified 1,550 substances being risk assessed for potential to cause harm to human health or the environment. Over five hundred of those chemicals are implicated in the paint and coatings industry. Canadian Paint and Coatings Association (CPCA) is now concluding formal assessments of these 500-plus substances used in coatings formulations, which will conclude in 2020. Beyond 2020, the federal government will continue to identify new substances and issues to be reviewed related to chemicals in commerce including those used in the coatings industry. As part of the CMP, government and industry associations, including the CPCA, are engaged in formal discussions on how industry might consider 'informed substitution' for more sustainable ingredients to be used in paint product formulations. This will address the issue of removing any remaining 'chemicals of concern' from product formulations and replacing them with more environmentally friendly options.

VOC emissions reductions in the paint and coatings industry

Compared with 2002 levels, the architectural paint and coatings sector has achieved 74 per cent reduction in overall VOC emissions due to lowering of the VOC content in waterborne products and by eliminating most of the solvent borne product lines completely. These industry efforts greatly exceeded the government's own expectations, which were projected to be a 28 per cent reduction.

Over the past ten years VOC emissions have been reduced by an additional 20 per cent for a total of 94 per cent reduction, representing 41,000 tonnes. This is a total emissions reduction equivalent to approximately 200,000 average sized automobiles annually. This has been a major advancement in sustainability of paint.

The federal government under Environment and Climate Change Canada (ECCC) is now engaged in a new study looking at VOC emissions in coatings products beginning April, 2019. The study is proceeding with its broad national VOC Survey for all paint products sold in Canada, except for paint products not covered under Canada's VOC Concentration Limits for Architectural Coatings Regulations. The ECCC Products Division's goal is to identify possible amendments to regulations by looking at concentration limits in other jurisdictions while performing a cost-benefit analysis.

Sustainability reporting

Many companies now have sustainability goals and targets with regular sustainability reporting as an ongoing part of their business planning. This allows companies to integrate environmental challenges into their long-term product development strategy.

World Coatings Council Sustainability Projects

The World Coatings Council, of which CPCA is a founding member, is currently developing two projects:

- A demonstration project on using life-cycle-assessments (LCA) and sustainability metrics to support chemicals management. This project would build on current efforts by ACA and CEPE (EU based) to address threatened preservatives for waterborne decorative paints. Expected work product would be a consensus report on valid methodology and a public-facing policy paper and associated infographics detailing the quantitative benefits.
- Develop an expanded profile of how current IPPIC member sustainability projects provide clear and quantifiable support for specific UN Sustainable Development Goals. This effort would avoid any generalizations and not integrate any industry claims that were not clear and quantifiable. This effort is expected to identify additional collaborative projects that the World Coatings Council will develop.

Environmental product declarations for architectural paint

The coatings industry is currently working on enhancing sustainability by establishing Product Category Rules (PCR). These PCRs will help form the basis for products to have Environmental Product Declarations (EPD), which would reflect the properties of various architectural paint products. The documents developed to date relate to the Life Cycle Analysis (LCA) for the specific architectural product category to produce clear environmental product declarations according to ISO 14025 standard. The PCR includes all life-cycle phases for both interior and exterior applications. The scope excludes adhesives and coatings solely for shop applications, original equipment manufacturing, or application to non-stationary structures, such as vehicles, airplanes, ships, boats, and railcars.

The goal of this PCR is to specify the guidelines for developing a Type III Environmental Product Declaration (EPD) in conformance with ISO 21930 and 14025. The goal of an LCA study conforming to this PCR shall be, at a minimum, to identify the potential environmental impacts of each life cycle phase of the product, or enable product improvement over the full life cycle of the product. It shall be presented in such a way to ensure its relevance to the public or for internal company use.

Governments of Canada and Quebec support growth of CelluForce

The federal government will invest a combined \$6.4-million investment to support CelluForce Inc.'s innovative cellulose nanocrystal facility becoming the world's first full commercial demonstration-scale plant of its kind. This new material can be used in everything including paints and adhesives, and is produced from the cellulose in trees and made from wood that is abundant, renewable and biodegradable.

Worldwide sales of bio-based coating solvents currently account for just over 10 per cent share of the market (less than 13 per cent in the EU alone, or 630,000 tons/5 million tons). However, this niche is expected to gain significant traction in the near future, while permeating key applications such as architectural coatings and industrial equipment coatings.

Sustainability underlines contribution of coatings as an enabler for waste reduction

When coatings manufacturers source raw materials, they will have to join forces with their suppliers to increase sharply the share of bio-based materials and recycled content, learning to make better use of such

materials. More importantly, brand owners want to offer customers technologies and solutions that enable them to reduce emissions and material use, such as lower curing temperatures, low or zero solvents, and fewer layers. This helps customers reduce their overall environmental footprint, the ultimate goal of sustainability.

Above all, paint use is about better performance, durability and long-term protection of the underlying substrate – wood or metal – and products that reflect heat, reduce fuel use and friction, or create insulating capacity. It's about solutions being non-hazardous and thus enabling the underlying products such as furniture, transport or building materials to be reused and recycled. Coatings are indeed a true 'enabler' of environmental sustainability that prevents products from being turned into waste.

6 Pollution Prevention Hierarchy and Product/ Component Management

Product Care endeavours to manage collected products in accordance with the pollution prevention hierarchy.³ This section details the measures that Product Care follows with respect to each product category based on information provided by downstream processors, where available.⁴

Consolidation

Collected products are sent to a consolidation facility in the Lower Mainland. During consolidation, paint is separated into water-based (latex) and solvent-based (alkyd) paint. Paint aerosols are separated into liquid paint, metal containers and propellant. The liquid paint is then consolidated with solvent-based paint and other flammable liquids for management by the processor. Pesticides and flammable liquids are consolidated by product type and properties, and "other aerosols" (flammable and pesticide aerosols) are repackaged into larger containers.

Following these initial processes, consolidated or repackaged materials are sent to downstream processors for recycling, energy recovery, incineration or landfill. Detailed information on how collected materials are processed is provided below.

Paint

Leftover paint is the largest volume of the residual products managed by the Program. Leftover paint is managed in a number of ways:

³ The pollution prevention hierarchy is explained on pages 9 and 10 of the BC Recycling Regulation Guide available here: https://www2.gov.bc.ca/assets/gov/environment/waste-management/recycling/recycle/reg_guide.pdf

⁴ The information detailed in this section was verified based on processor questionnaires or site visits of the various processors and the review of final disposition as indicated on hazardous waste manifests as applicable. However, there is greater confidence in the end fate of hazardous wastes given the framework of regulatory requirements governing hazardous materials and commensurate oversight by various environmental departments and agencies.

Reuse

Reusable paint is given away at no charge through the PaintShare (previously Paint Reuse) program to members of the public and non-profit organizations to be used for its originally intended purpose. In 2019, 121 collection sites participated in the PaintShare program, representing 54% of all collection sites. Based on monthly reports provided by collection sites, approximately 2.1% of the total volume of paint processed in 2019 was reused through the PaintShare program, down from 2.2% in 2018.⁵

Recycling

Product Care utilizes a number of options for water-based (latex) paint recycling. High-grade recyclable water-based paint is reprocessed into paint and coatings products. The lower grade recyclable paint (i.e., paint that is not suitable for paint to paint recycling) is used as a raw material in the manufacturing of concrete products (blocks, barriers, and Portland cement).

According to shipment records⁶, approximately 93.8% of the water-based paint sent to downstream processors by the Program in 2019 was recycled utilizing one of the two options listed above; exceeding the minimum target of 75% recycling rate for water-based paint.

The total volume of paint processed is the sum of the total volume of paint reused through PaintShare plus the total volume of paint shipped from the consolidation facility to the downstream processors.

Energy Recovery

Solvent-based (alkyd) paints are suitable for energy recovery by virtue of their high solvent content. According to shipment records, 100% of the oil-based paint and aerosol paint shipped to downstream processors from the consolidation facility in 2019 went to hazardous waste management companies who then sent the paint to permitted/licensed facilities to be used for alternative energy recovery.

Product Care continues to search for recycling options for solvent-based paint. This is generally more difficult due to hazardous waste and transportation regulations, which limit the movement of this kind of material. Regulations, such as the Federal VOC Regulations, require tighter limits on certain chemical constituents, which tend to be higher in older paints, making recycling of solvent-based paints more difficult. In addition, the chemistry of solvent-based paints makes it more difficult to recycle into paint and coating products, and the diminishing market for recycled solvent-based products is significantly smaller than that for water-based paint products.

Due to the colour or physical/chemical composition, some water-based paint cannot be recycled. Water-based paint has heat value but not as high as oil-based paints. A portion of the unrecyclable water-based paint is sent

⁵ Based on the estimate of paint containers being 75% full and compared against residual recovery volumes.

⁶ Shipment records evidencing the management of program product may include Certificates of Disposal, bills of lading or processor invoices and the review of final disposition as indicated on hazardous waste manifests as applicable. Shipment records evidencing the management of metal and plastic containers may include bills of lading, scale tickets or processor invoices.

to downstream processors who send it to a licensed facility, to be used as alternative fuel (energy recovery). According to shipment records, 6.2% of the water-based paint sent to downstream processors was used as an alternative fuel in 2019.

Secure Landfill

In 2019, all water-based paint was recycled as paint, sent for energy recovery, or used as raw materials in the manufacturing process of concrete products. No water-based paint was landfilled.

Flammable Liquids

Due to the nature of flammable liquids and the fact that many flammable liquids are sold as fuels, leftover flammables collected are treated as alternative fuels for energy recovery. According to shipment records, 100% of the flammable liquids shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent them to permitted/licensed facilities to be used for alternative energy recovery.

Gasoline

Due to the nature of gasoline, which is intended for use as a fuel, collected leftover gasoline is treated as alternative fuel for energy recovery. According to shipment records, 100% of the gasoline shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent the gasoline to permitted/licensed facilities to be used for alternative energy recovery.

Pesticides

Due to the nature of pesticides, there is no reuse or recycling option available for these products. According to shipment records, 100% of pesticide products shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent them to permitted/licensed facilities for incineration.

Containers

Metal Containers

Based on shipment records from the consolidation facility, 100% of metal containers processed by the Program in 2019 from paint (including aerosols), pesticides, flammable liquids and gasoline were sent for metal recycling.

Plastic Containers

According to shipment records, 100% of #2 HDPE plastic gasoline containers shipped from the consolidation facility to downstream processors were recycled in 2019. Shipment records also confirm 100% of plastic containers from flammable liquids and pesticides were sent for plastics recycling. 77% of 5 gallon size #2 HDPE plastic paint containers shipped from the consolidation facility to downstream processors were recycled and the remaining 23% of the 5 gallon #2 HDPE plastic paint containers were sent to energy recovery as an alternative energy source in licensed incinerators, as demonstrated by shipment records. Changes in the plastic

recycling industry due to external factors (e.g. international policy such as China Sword) made it difficult to find recycling options for certain product streams. Product Care remains committed to seeking recycling options for 100% of its #2 plastic paint containers in keeping with the Program's commitment.

Based on shipping records to processors, the Program managed 0.1% of plastic (polypropylene #5) one US gallon size paint cans through recycling, and 99.9% through energy recovery. The diversion of this plastic to energy recovery was due to the limited market demand for recycled polypropylene #5. The same challenges noted with #2 HDPE applies to #5 polypropylene. Product Care remains committed to seeking recycling for 100% of its #5 plastic containers.

Table 7: Program Product End Fate 2019⁷

Product Category ⁸	Recycling	Energy Recovery	Incineration	Landfill
Water-based (latex) Paint	93.8%	6.2%		
Solvent-based (alkyd) Paint		100%		
Flammable Liquids		100%		
Pesticides			100%	
Gasoline		100%		
Metal Containers	100%			
#2 Plastic Containers (Paint)	77%	23%		
#2 Plastic Containers (Gasoline)	100%			
#5 Plastic Containers	0.1%	99.9%		
Plastic Pesticide Containers	100%			
Plastic Flammable Liquids Containers	100%			

7 Product Sold and Collected and Recovery Rate

Product Collected

The Program employs two metrics for measuring collected volumes of Program Product. Residual Recovery Volume (RRV) measures the amount of product collected as a function of the amount of product sold in the same year. The container capacity volume (CCV) measures the maximum capacity of the containers that could fit within tubskids or drums⁹ returned through the Program. The Program reports annually on the total CCV by

⁷ The table does not include paint volumes reused through PaintShare, which represented approximately 2.1% of total paint volumes collected (see discussion above under "Reuse".)

⁸ Percentages for each product category may not total 100% due to rounding.

⁹ Tubskids are 4'x4'x3' plastic boxes used for the collection of paint, paint aerosols, flammable liquids and pesticides. Drums are converted into tubskids at a factor of 0.25 tubskids per drum. The total number of tubskids has been rounded to the nearest whole number. The total number of tubskids is based on tubskids picked up from collection sites as evidenced by bills of lading.

product category at both the provincial and regional district level, the ratio of CCV to total paint sold, total RRV collected and an annual recovery rate based on RRV. Table 8 the CCV collected in BC, broken down by regional district. Table 9 provides the total 2019 residual recovery volumes (RRV) for each product category.

Table 8: Container Capacity Volume (L) Collected by Regional District (2019)

REGIONAL DISTRICT	PAINT	AEROSOLS	FLAMMABLE LIQUIDS	PESTICIDES	AEROSOLS OTHER
Alberni Clayoquot	64,800	3,675	864	216	0
Bulkley Nechako	43,200	3,369	0	0	175
Capital	1,267,488	17,719	62,208	18,684	10,500
Cariboo	91,584	6,125	1,296	0	0
Central Coast	5,184	0	0	0	0
Central Kootenay	133,488	2,888	2,592	108	219
Central Okanagan	430,704	7,700	12,528	1,728	1,400
Columbia Shuswap	125,712	3,588	3,888	324	394
Comox Valley	215,136	3,369	12,096	1,404	788
Cowichan Valley	335,664	16,275	24,624	9,396	5,294
East Kootenay	147,312	2,800	432	0	1,706
Fraser Fort George	146,448	2,713	17,280	1,296	0
Fraser Valley	623,376	11,069	24,192	4,104	2,013
Kitimat Stikine	54,000	2,100	1,296	0	88
Kootenay Boundary	100,656	2,275	3,888	864	656
Metro Vancouver	5,508,432	79,800	153,792	18,900	17,063
Mt. Waddington	22,464	5,469	0	0	44
Nanaimo	563,760	22,400	28,512	2592	2,363
North Coast	26,352	3,675	1,296	0	0
North Okanagan	207,360	4,900	7,776	432	1,006
Northern Rockies	4,752	0	0	0	0
Okanagan Similkameen	276,480	4,944	4,320	1,836	306
Peace River	88,992	2,100	864	0	0
Powell River	38,448	1,050	864	0	44
Squamish Lillooet	171,504	4,638	5,184	432	1,006
Strathcona	105,840	17,194	7,776	1,728	744
Sunshine Coast	139,104	14,000	10,368	756	525
Thompson Nicola	283,392	5,469	7,344	756	1,138
TOTAL	11,221,632	251,300	395,280	65,556	47,469

Table 9: Approximate Total Collected Volumes (residual recovery volume) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2019)

Residual recovery volume (litres)	Paint (non-aerosol) ¹⁰	Paint (Aerosol) ¹¹	Flammable Liquids/Gasoline ¹²	Pesticides ¹³
2019	2,885,907	43,597	146,958	23,435

The Program also commits to achieving annual targeted increases in CCV for each product category against 2016 baseline levels. Specifically, the Program is to achieve an annual increase in CCV of 4.2% for paint (including aerosols), 8.75% for flammable liquids/gasoline and 7.85% for pesticides based on 2016 container capacity for total volumes of paint (including aerosols) and HHW reported. Table 10 provides the total 2019 container capacity volume (CCV) and performance against the annual increase in CCV targets. When setting these targets at the time of drafting the current Program Plan in 2016, Product Care relied on historical collection volumes from 2010 through 2016, which showed a consistent increase in CCV. However, collection volumes have been decreasing since 2016 for all product categories. The decrease in CCV runs contrary to all other key program performance indicators, including increased consumer awareness levels, expansion of the program's collection networks and accessibility levels, and continued low numbers of units found through waste composition audits. The Program has stated all along that basing the evaluation of the Program's performance on a single metric is not appropriate, especially with the reference to recovery rate. It is very difficult to isolate the factors influencing and recovery rates for various Program Products. Rather, the Program should be evaluated based on a suite of performance measures. Product Care will continue to monitor CCV and recovery rates closely.

¹⁰ Paint residual recovery volume was calculated using a conversion factor of 108.7 litres per tubskid, based on the average volume generated per tubskid over the full year 2019.

¹¹ Paint aerosol residual recovery volume was calculated using a conversion factor of 30.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2019.

¹² Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 160.6 litres per tubskid, based on the average volume generated per tubskid over the full year 2019. This does not include volume from flammable or pesticide aerosols.

¹³ Pesticide residual recovery volume was calculated using a conversion factor of 154.4 litres per tubskid, based on the average volume generated per tubskid that was processed in between February-April, 2019, where the residuals were actually emptied and consolidated as opposed to the other months where the containers were just sorted, but not emptied.

Table 10: Approximate Total Collected Volumes (CCV) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2019 v. 2016)

Container capacity volume (litres) ¹⁴	Paint	Flammable Liquids/Gasoline ¹⁵	Pesticides
2016 (CCV)	11,693,724	377,111	93,917
2019 (CCV)	11,472,932	442,749	65,556
2019 (target CCV)	13,167,133	476,103	116,034
Variance (2019 actual vs target)	-12.9%	-7.0%	-43.5%

Recovery Rate

For all product categories, Table 11 below shows the calculation of the recovery rate, based on the sales in BC and the residual recovery volume collected in 2019. With regard to gasoline collection, members report the number of gasoline stations, not volumes of gasoline sold. Therefore, sales volumes (in litres) for gasoline are not available and are excluded from the flammable liquids/gasoline category. Gasoline collected volumes are included in the residual recovery volumes for flammable liquids, as gasoline and other flammable liquids are processed together and therefore indistinguishable.

Table 11: Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2019)

2019	Sales (litres) ¹⁶	CCV (litres)	CCV / Sales (%)	RRV (litres)	Recovery Rate (%)
Paint¹⁷	30,682,335	11,472,932	37.39%	2,929,504	9.55%
Flammable Liquids/Gasoline¹⁸	2,782,170	442,749	15.91%	146,958	5.28%
Pesticides¹⁹	129,615	65,556	50.58%	23,435	18.08%

¹⁴ Container capacity volume was calculated by converting the total number of tubskids collected into equivalent litres of containers, using a conversion factor of 432 litres per tubskid, and 0.25 tubskids per drum for the paint (non-aerosol), flammable liquids/gasoline (non-aerosol) and pesticides categories. A conversion factor of 175 litres per tubskid was used for the paint aerosol and flammable liquid and pesticide aerosol categories.

¹⁵ Includes both non-aerosol and aerosol flammables and pesticides.

¹⁶ Volumes reported as "Sales (litres)" are estimated by converting units reported to Product Care by its members according to the typical container volume for each container size category.

¹⁷ Collection volumes reported include aerosol and non-aerosol paint. Paint residual recovery volume was calculated using a conversion factor of 108.7 litres per tubskid, based on the average volume generated per tubskid over the full year 2019. Paint aerosol residual recovery volume was calculated using a conversion factor of 30.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2019.

¹⁸ Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 160.6 litres per tubskid, based on the average volume generated per tubskid over the full year 2019. This does not include volume from flammable or pesticide aerosols.

¹⁹ Pesticide residual recovery volume was calculated using a conversion factor of 154.4 litres per tubskid, based on the average volume generated per tubskid that was processed in between February-April, 2019, where the residuals were actually emptied and consolidated as opposed to the other months where the containers were just sorted, but not emptied.

8 Revenues and Expenditures

BC Collection Site Compensation & Dispute Resolution Stakeholder Consultation

In accordance with requirements set out in the conditional approval letter issued by the BCMoECCS to Product Care on November 20, 2018 with regard to the Program Plan, Product Care held stakeholder consultations with respect to sections 5(1)(c)(i) and (vi) of the Regulation. The consultations followed requirements set out in ministerial guidance documents -- *Recycling Regulation Guide 2012* and *Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution 2018*.

As part of the consultation process, Product Care retained the services of BDO Canada LLP to conduct a cost study and develop a cost model to assess the extent to which the Program, on behalf of Products, was paying the cost of managing obligated product and the adequacy of the Program's dispute resolution processes. Product Care then held two webinar consultations sessions on November 4 and November 12, 2019. A stakeholder consultation summary document was submitted to the Director on December 23, 2019, as required by the Program Plan approval letter from the Director, dated November 20, 2018.

Environmental Handling Fees

The Program is funded by membership fees, known as environmental handling fees (EHF), remitted to Product Care by its members based on the number of units of designated products sold in or into BC. The fee may be passed on by the member to their customers, either as a visible fee or by incorporating the cost directly into the price of the product. EHF rates are set by Product Care and are subject to change as needed to ensure there are sufficient funds to operate the Program and maintain the necessary reserve in accordance with Product Care's policies. Table 12 lists the EHF rates for Program Products.

Table 12: Environmental Handling Fees (2019)

Paint Category

Container Size	EHF Rates
100 ml to 250 ml	\$0.35
251 ml to 1 litre	\$0.65
1.01 litres to 5 litres	\$1.00
5.01 litres to 23 litres	\$2.25
Aerosol Paint (any size)	\$0.35

Pesticide Category

Container Size	EHF Rates
Less than 10 ml or grams	\$0.10
0.01 to 0.89 litres or kg	\$1.85
0.9 to 1.79 litres or kg	\$2.10
1.8 to 10 litres or kg	\$3.50

Flammable Liquids Category

Container Size	EHF Rates
Less than 750 ml	\$0.10
751 ml to 1 litre	\$0.15
1.01 litres to 2 litres	\$0.35
2.01 litres to 4 litres	\$0.60
4.01 litres to 10 litres	\$1.50
Aerosol Flammable Liquids	
1 to 75 ml or grams	\$0.01
76 to 200 ml or grams	\$0.10
Over 201 ml or grams	\$0.15

For the gasoline category, the EHF per gas station per month is \$11.25.

Independently Audited Financial Statements

A copy of the independent financial audit of the Program's revenues and expenses can be found in Appendix C.

9 Plan Performance

This annual report addresses the performance of the Program in relation to Program Plan targets and commitments. Accordingly, Table 13 sets out the key performance measures for 2019, and strategies for performance improvement going forward.

Table 13: Key Performance Measures

Plan Target	2019 Results	Strategies for Improvement
Collection System and Accessibility		
Maintain a minimum of 219 contracted collection sites in total	<ul style="list-style-type: none"> • 222 collection sites 	N/A
Maintain a minimum of 95% accessibility rate to a collection site based on SABC Accessibility Standard for Paint and HHW (Paint Plus) ²⁰ collection sites respectively	<ul style="list-style-type: none"> • 99.7% accessibility rate for collection sites accepting paint • 98.4% accessibility rate for collection sites accepting HHW (Paint Plus) 	N/A
Collections		

²⁰ The Program also refers to HHW collection sites as "Paint Plus" sites.

Plan Target	2019 Results	Strategies for Improvement
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Paint (Non-aerosol & Aerosol), 4.2% annual increase	<ul style="list-style-type: none"> Paint CCV was -12.9% below target for 2019 	<ul style="list-style-type: none"> Roll out of Commercial Painter Outreach Strategy (see section 3) Implementation of Residential Segmentation Strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Solvent & Flammable liquids, 8.75% annual increase	<ul style="list-style-type: none"> Solvent & flammable liquids CCV was -7.0% below target for 2019 	<ul style="list-style-type: none"> Implementation of Residential Segmentation Strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Pesticides, 7.85% annual increase	<ul style="list-style-type: none"> Pesticide CCV was -43.5% below target for 2019 	<ul style="list-style-type: none"> Implementation of Residential Segmentation Strategy (see section 3)
Consumer Awareness		
Percent of population aware of the program: 70% or more for paint and HHW	<ul style="list-style-type: none"> 76% of consumers were aware they could recycle paint in the province 68% of consumers were aware they could recycle HHW in the province 	<ul style="list-style-type: none"> Commercial Painter Outreach Strategy (see section 3) Residential Segmentation Strategy (see section 3) Continue to increase Program awareness
Management of Collected Materials		
Recycle a minimum of 75% of water-based (latex) paint	<ul style="list-style-type: none"> 93.8% of water-based paint was recycled 6.2% was sent for energy recovery None was sent to a landfill 	N/A
100% of solvent-based (alkyd) paint sent to energy recovery	<ul style="list-style-type: none"> 100% of solvent-based paint was sent to energy recovery. 	N/A
Strive for 100% recycling of metal & HDPE (#2) paint containers	<ul style="list-style-type: none"> 100% of metal paint containers were recycled 77% of #2 plastic paint containers were recycled 	<ul style="list-style-type: none"> Continue to seek recycling options for #2 HDPE paint containers
100% of polypropylene (#5) paint containers sent to energy recovery	<ul style="list-style-type: none"> 99.9% of #5 plastic (polypropylene) containers were used as an alternative 	N/A

Plan Target	2019 Results	Strategies for Improvement
	energy source in licensed incinerators, and 0.1% were recycled	
100% of flammable liquids sent to energy recovery	<ul style="list-style-type: none"> 100% of flammable liquids were sent to energy recovery as an alternative energy source in licensed incinerators 	N/A
Strive for 100% recycling of flammable liquid containers	<ul style="list-style-type: none"> 100% of flammable liquid containers were recycled 	N/A
100% of pesticides sent for incineration	<ul style="list-style-type: none"> 100% of pesticides were sent for incineration 	N/A
Strive for 100% recycling of metal & plastic pesticide containers	<ul style="list-style-type: none"> 100% of metal & plastic pesticide containers were recycled 	N/A
100% of gasoline sent to energy recovery	<ul style="list-style-type: none"> 100% of gasoline liquids were sent for energy recovery as an alternative energy source in licensed incinerators 	N/A
Strive for 100% recycling of gasoline containers	<ul style="list-style-type: none"> 100% of gasoline containers were recycled 	N/A

APPENDIX A: Collection Site List by Regional District (as of Dec 31, 2019)

The following collection sites were contracted with the Program to collect paint as of December 31, 2019, and whether they contracted to collect HHW and participate in PaintShare.

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
1	70 Mile House Eco-Depot	Thompson Nicola	70 Mile House	No	Yes
2	A&P Disposal	Capital Regional District	Sooke	Yes	Yes
3	Abbotsford Bottle Depot	Fraser Valley	Abbotsford	No	Yes
4	Abbotsford Community Services Recycling	Fraser Valley	Abbotsford	Yes	Yes
5	Ace Victory Building Centre (Formerly - Irly Building Center - Mackenzie)	Fraser Fort George	Mackenzie	No	No
6	Agassiz Bottle Depot	Metro Vancouver	Agassiz	Yes	Yes
7	Aldergrove Return-It Bottle Depot	Fraser Valley	Aldergrove	Yes	Yes
8	Area 'D' Transfer Station	Bulkley Nechako	Fraser Lake	Yes	No
9	Augusta Recyclers Ltd.	qathet	Powell River	Yes	Yes
10	B&D Bottlers Ltd dba Revelstoke Bottle Depot	Columbia Shuswap	Revelstoke	Yes	No
11	Barnhartvale Landfill	Thompson Nicola	Kamloops	No	No
12	Battery Doctors	Central Okanagan	Kelowna	Yes	Yes
13	Bay Street Castle	Capital Regional District	Victoria	No	No
14	Beaverdell Solid Waste Transfer Station	Kootenay Boundary	Beaverdell	No	Yes
15	Bella Bella Eco-Depot (Heiltsuk Environmental Services)	Central Coast	Bella Bella	Yes	Yes
16	Bella Coola Recycling Depot	Central Coast	Bella Coola	Yes	No
17	Bings Creek Solid Waste Management Complex	Cowichan Valley	Duncan	Yes	Yes
18	Blue River Eco-Depot	Thompson Nicola	Blue River	No	Yes
19	Boucherie Self Storage & Bottle Depot	Central Okanagan	Westbank	Yes	Yes
20	Bridgeview Return-It (Common Earth Enterprises Ltd.)	Metro Vancouver	Surrey	Yes	No
21	Bulkley Valley Bottle Depot Ltd.	Bulkley Nechako	Smithers	Yes	Yes
22	Burnaby Recycling Depot dba Burnaby Eco Centre	Metro Vancouver	Burnaby	No	Yes
23	Burns Lake Recycling Depot	Bulkley Nechako	Burns Lake	Yes	No

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
24	Campbell Mountain Landfill	Okanagan Similkameen	Penticton	Yes	Yes
25	Campbell River Bottle Depot (dba Island Return It Campbell River)	Strathcona	Campbell River	Yes	Yes
26	Campbell River Waste Management Centre	Strathcona	Campbell River	Yes	Yes
27	Central Cariboo Disposal Services	Cariboo	Williams Lake	Yes	Yes
28	Chasers Bottle Depot	North Okanagan	Vernon	Yes	Yes
29	Chetwynd Recycling & Bottle Depot	Peace River	Chetwynd	Yes	Yes
30	Chilliwack Bottle Depot	Fraser Valley	Chilliwack	No	Yes
31	Clearwater Eco-Depot	Thompson Nicola	Clearwater	No	Yes
32	Clinton Eco-Depot	Thompson Nicola	Clinton	No	Yes
33	Columbia Bottle Recycling	Central Kootenay	Creston	Yes	No
34	Comox Return Centre	Comox Valley	Comox	Yes	No
35	Comox Valley Waste Management Centre	Comox Valley	Cumberland	Yes	Yes
36	Coquitlam Return-It Depot	Metro Vancouver	Coquitlam	No	No
37	Coquitlam Transfer Station	Metro Vancouver	Coquitlam	Yes	Yes
38	Cortes Island Recycling Centre	Strathcona	Cortes Island	Yes	Yes
39	Courtenay Return-It Depot	Comox Valley	Courtenay	Yes	No
40	Cowichan Valley Bottle Depot dba Island Return-It Recycling Centre - Cowichan Valley Bottle Depot	Cowichan Valley	Duncan	Yes	Yes
41	Cranbrook Bottle Depot	East Kootenay	Cranbrook	No	Yes
42	D.C. Recycling & Bottle Depot	Peace River	Dawson Creek	Yes	No
43	Do Your Part Recycling	Kitimat Stikine	Terrace	Yes	Yes
44	East Hastings Bottle Depot	Metro Vancouver	Burnaby	Yes	Yes
45	East Van Bottle Depot	Metro Vancouver	Vancouver	No	No
46	Edmonds Return-It Depot	Metro Vancouver	Burnaby	Yes	Yes
47	Ellice Recycle Ltd.	Capital Regional District	Victoria	No	Yes
48	Enderby Return-It Recycling Depot	North Okanagan	Enderby	Yes	No
49	Fernie Bottle Depot	East Kootenay	Fernie	Yes	No
50	Fisher Road Recycling (Division of DL Bins Ltd)	Cowichan Valley	Cobble Hill	Yes	Yes

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
51	Fleetwood Bottle Return Depot Ltd.	Metro Vancouver	Surrey	No	No
52	Fort St. James Transfer Station	Bulkley Nechako	Fort St. James	Yes	No
53	FSJ Bottle Drop	Peace River	Fort St. John	Yes	Yes
54	Gabriola Island Recycling Organization	Capital Regional District	Gabriola Island	Yes	Yes
55	Galiano Island Recycling Resources	Capital Regional District	Galiano Island	No	No
56	General Grants Sahali	Thompson Nicola	Kamloops	Yes	Yes
57	GFL Environmental – Langford	Capital Regional District	Langford	No	Yes
58	GFL Environmental - Pemberton	Squamish Lillooet	Pemberton	Yes	Yes
59	GFL Environmental - Squamish	Squamish Lillooet	Squamish	Yes	Yes
60	GFL Environmental - Whistler	Squamish Lillooet	Whistler	Yes	No
61	Gibsons Recycling Depot	Sunshine Coast	Gibsons	Yes	Yes
62	Go Green Bottle Depot and Recycling	Metro Vancouver	Vancouver	No	No
63	Gold Trail Recycling	Cariboo	100 Mile House	Yes	Yes
64	Golden Landfill	Columbia Shuswap	Golden	No	Yes
65	Grand Forks Bottle Depot	Kootenay Boundary	Grand Forks	No	Yes
66	Grand Forks Regional Landfill	Kootenay Boundary	Grand Forks	Yes	Yes
67	GRIPS Recycling	Sunshine Coast	Pender Harbour	Yes	No
68	Guildford Bottle Depot 2001 Ltd.	Metro Vancouver	Surrey	No	No
69	Hartland Recycling Depot	Capital Regional District	Saanich	Yes	Yes
70	Hazelton Bottle Depot (formerly New Hazelton Bottle Depot)	Kitimat Stikine	New Hazelton	No	No
71	Heffley Creek Eco-Depot	Thompson Nicola	Heffley Creek	No	Yes
72	Home Hardware - Merritt	Thompson Nicola	Merritt	No	Yes
73	Hornby Island Waste Management Centre	Comox Valley	Hornby Island	Yes	Yes
74	Houston Bottle Depot	Bulkley Nechako	Houston	No	No
75	Interior Freight & Bottle Ltd.	North Okanagan	Vernon	Yes	Yes
76	Invermere Fire Department	East Kootenay	Invermere	No	No
77	Ironwood Bottle & Return-it Depot	Metro Vancouver	Richmond	Yes	Yes
78	Islands Regional Landfill Depot	North Coast	Port Clements	Yes	No
79	J&C Bottle Depot	Okanagan Similkameen	Penticton	Yes	Yes

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
80	Jenill Bottle Depot	Metro Vancouver	Surrey	Yes	Yes
81	Joe's Bottle Depot	Metro Vancouver	Vancouver	No	No
82	Junction Bottle Depot Ltd.	Cowichan Valley	Ladysmith	Yes	No
83	Kamloops Home Hardware Building Center	Thompson Nicola	Kamloops	No	No
84	Kaslo Building Supplies	Central Kootenay	Kaslo	No	Yes
85	KBM Autoworks	North Okanagan	Lumby	Yes	No
86	Kitchener Bottle Depot Ltd.	Metro Vancouver	Burnaby	Yes	No
87	Kitimat Recycling Depot	Kitimat Stikine	Kitimat	Yes	No
88	Knockholt Sub-Regional Landfill	Bulkley Nechako	Houston	Yes	No
89	Ladner Bottle Depot	Metro Vancouver	Delta	No	No
90	Langley Bottle Depot	Metro Vancouver	Langley	Yes	No
91	Lax Kw'alaams Waste Transfer Station	North Coast	Lax Kw'alaams	Yes	Yes
92	Lee's Bottle Depot	Metro Vancouver	Burnaby	No	No
93	Logan Lake Eco-Depot	Thompson Nicola	Logan Lake	No	Yes
94	Lorne Street Bottle Depot	Thompson Nicola	Kamloops	Yes	Yes
95	Lougheed Return-It Depot	Metro Vancouver	Coquitlam	Yes	
96	Louis Creek Eco-Depot	Thompson Nicola	Louis Creek	No	Yes
97	Lowe's - Langford #3702 (store #83003) (formerly RONA Home & Garden #61710)	Capital Regional District	Victoria	No	No
98	Lowe's - New Westminster (Queensborough) #3056 (Store #82045)	Metro Vancouver	New Westminster	No	No
99	Lowe's Vancouver Grandview #83004 (3704) (formerly RONA Home & Garden (Grandview) store #61760)	Metro Vancouver	Vancouver	No	No
100	Lower Nicola Eco-Depot	Thompson Nicola	Lower Nicola	No	Yes
101	Lytton Eco-Depot	Thompson Nicola	Lytton	No	Yes
102	Malcolm Island Recycling Centre	Mt. Waddington	Sointula	Yes	No
103	Mayne Island Recycling Society (MIRS)	Capital Regional District	Mayne Island	No	No
104	McKelvey Creek Landfill	Kootenay Boundary	Trail	No	Yes
105	Meade Creek Recycling Drop-Off Depot	Cowichan Valley	Lake Cowichan	Yes	Yes
106	Merritt Machine Works Ltd.	Thompson Nicola	Merritt	Yes	No
107	Mission Flats Landfill	Thompson Nicola	Kamloops	Yes	Yes
108	Mission Recycle Center Ltd.	Fraser Valley	Mission	Yes	No

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
109	Mission Recycling Depot	Fraser Valley	Mission	Yes	Yes
110	Nechako Bottle Depot	Fraser Fort George	Prince George	No	Yes
111	Nechako Valley School Bottle Depot	Bulkley Nechako	Vanderhoof	Yes	No
112	Nelson Leafs Recycling Centre	Central Kootenay	Nelson	Yes	Yes
113	New & Nearly New	East Kootenay	Kimberley	Yes	No
114	New Westminster Recycling	Metro Vancouver	New Westminster	No	No
115	Newton Bottle Depot	Metro Vancouver	Surrey	Yes	No
116	North Shore Bottle Depot	Metro Vancouver	North Vancouver	Yes	Yes
117	North Van / North Shore Transfer Station	Metro Vancouver	North Vancouver	Yes	Yes
118	North Van Bottle Depot	Metro Vancouver	North Vancouver	Yes	Yes
119	Oak Bay Recycling Depot	Capital Regional District	Oak Bay	No	No
120	Oliver Sanitary Landfill	Okanagan Similkameen	Oliver	Yes	No
121	Osoyoos Bottle Depot	Okanagan Similkameen	Osoyoos	Yes	No
122	Ouellette Bros. Building Supplies	Bulkley Nechako	Fort St. James	No	Yes
123	Panorama Village Return-it	Metro Vancouver	Surrey	Yes	No
124	Parksville Bottle & Recycling Depot	Nanaimo Regional District	Parksville	Yes	Yes
125	Peerless Road Recycling Drop-Off Depot	Cowichan Valley	Ladysmith	Yes	Yes
126	Pender Island Recycling Society	Capital Regional District	Pender Island	Yes	No
127	PG Recycling & Return-It Centre (BBK Holding Inc.)	Fraser Fort George	Prince George	Yes	No
128	Pitt Meadows Bottle & Return-it Depot Ltd.	Metro Vancouver	Pitt Meadows	Yes	No
129	Poco Return-it (FKA Biggar Bottle Depot)	Metro Vancouver	Port Coquitlam	No	Yes
130	Port Hardy Return-it Centre	Mt. Waddington	Port Hardy	Yes	Yes
131	Powell Street Return-it Bottle Depot	Metro Vancouver	Vancouver	Yes	No
132	Prespatou Transfer Station	Peace River	Prespatou	Yes	Yes
133	Qualicum Bottle Depot	Nanaimo Regional District	Qualicum Beach	Yes	No
134	Quality Glass Ltd.	Thompson Nicola	Ashcroft	Yes	No

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
135	Queen Charlotte Recycling Depot - Island Solid Waste Management (NCRD)	North Coast	Queen Charlotte City	Yes	No
136	Quesnel Landfill Site	Cariboo	Quesnel	No	No
137	R&T Bottle Depot	Fraser Valley	Abbotsford	Yes	No
138	R3 Recycle-It Resource Recovery	Peace River	Fort St. John	Yes	No
139	Regional Recycling Abbotsford	Fraser Valley	Abbotsford	Yes	Yes
140	Regional Recycling Cloverdale	Metro Vancouver	Surrey	Yes	Yes
141	Regional Recycling Nanaimo - Hayes	Nanaimo Regional District	Nanaimo	No	Yes
142	Regional Recycling Nanaimo - Old Victoria	Nanaimo Regional District	Nanaimo	No	Yes
143	Regional Recycling Prince Rupert (NCRD)	North Coast	Prince Rupert	Yes	Yes
144	Regional Recycling Richmond	Metro Vancouver	Richmond	Yes	Yes
145	Regional Recycling Vancouver	Metro Vancouver	Vancouver	Yes	Yes
146	Regional Recycling Whistler	Squamish Lillooet	Whistler	Yes	Yes
147	Revelstoke Refuse Disposal Facility	Columbia Shuswap	Revelstoke	No	Yes
148	Richmond Recycling Depot	Metro Vancouver	Richmond	No	Yes
149	Ridge Meadows Recycling Society dba Maple Ridge Recycling Depot	Metro Vancouver	Maple Ridge	Yes	Yes
150	RONA - BH Allen Building Centre (North Vancouver) (#8140)	Metro Vancouver	North Vancouver	No	No
151	RONA - Capital Building Supplies (Prince George) (#1890)	Fraser Fort George	Prince George	No	No
152	RONA - Coast Builders (Madeira Park) (store #9551) (was #61420)	Sunshine Coast	Madeira Park	No	No
153	RONA - Fraser Valley Building Supplies (Hope) (#61350)	Fraser Valley	Hope	No	No
154	Rona - Glacier Building Supplies (Revelstoke) (#123)	Columbia Shuswap	Revelstoke	No	No
155	Rona - Interlakes Building Supplies Ltd. (Lone Butte) (#7240)	Cariboo	Lone Butte	No	No
156	Rona - Langley Bypass #61810	Metro Vancouver	Langley	No	No
157	RONA - Mack Foster Building Materials (Richmond) (#8040)	Metro Vancouver	Richmond	No	No

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
158	Rona - North Valley Supply Ltd. (Clearwater) (#6410)	Thompson Nicola	Clearwater	No	No
159	RONA - Northstar Hardware & Building Supplies (Invermere) (#8999)	East Kootenay	Invermere	No	No
160	RONA - Pemberton Valley Hardware (#8522)	Squamish Lillooet	Pemberton	No	No
161	RONA - Powell River Building Supply (#2791)	qathet	Powell River	No	No
162	RONA - RA Rosback Enterprises (Alert Bay) (#1215)	Mt. Waddington	Alert Bay	No	No
163	RONA - RA Rosback Enterprises (Port McNeill) (#1195)	Mt. Waddington	Port McNeill	No	No
164	RONA Building Centre (Cobble Hill) (#61040)	Cowichan Valley	Cobble Hill	No	No
165	RONA Building Centre (Fort St. John) (#8444)	Peace River	Fort St. John	No	No
166	RONA Building Centre (Nanaimo) (#61030)	Nanaimo Regional District	Nanaimo	No	No
167	RONA Home & Garden (Kelowna) (#61700)	Central Okanagan	Kelowna	No	No
168	RONA Home Centre (Austin) (#61290)	Metro Vancouver	Coquitlam	No	No
169	RONA Home Centre (Burnaby - Edmonds) (#61270)	Metro Vancouver	Burnaby	No	No
170	RONA Home Centre (Chilliwack) (#61390)	Fraser Valley	Chilliwack	No	No
171	RONA Home Centre (Clearbrook) (#61220)	Fraser Valley	Abbotsford	No	No
172	RONA Home Centre (Coquitlam) (#61260)	Metro Vancouver	Coquitlam	No	No
173	RONA Home Centre (Fleetwood) (#61720)	Metro Vancouver	Surrey	No	No
174	RONA Home Centre (Golden) (#61830)	Columbia Shuswap	Golden	No	No
175	RONA Home Centre (Kamloops) (#61310)	Thompson Nicola	Kamloops	No	No
176	RONA Home Centre (King George Newton) (#61250)	Metro Vancouver	Surrey	No	No
177	RONA Home Centre (Maple Ridge) (#61190)	Metro Vancouver	Maple Ridge	No	No

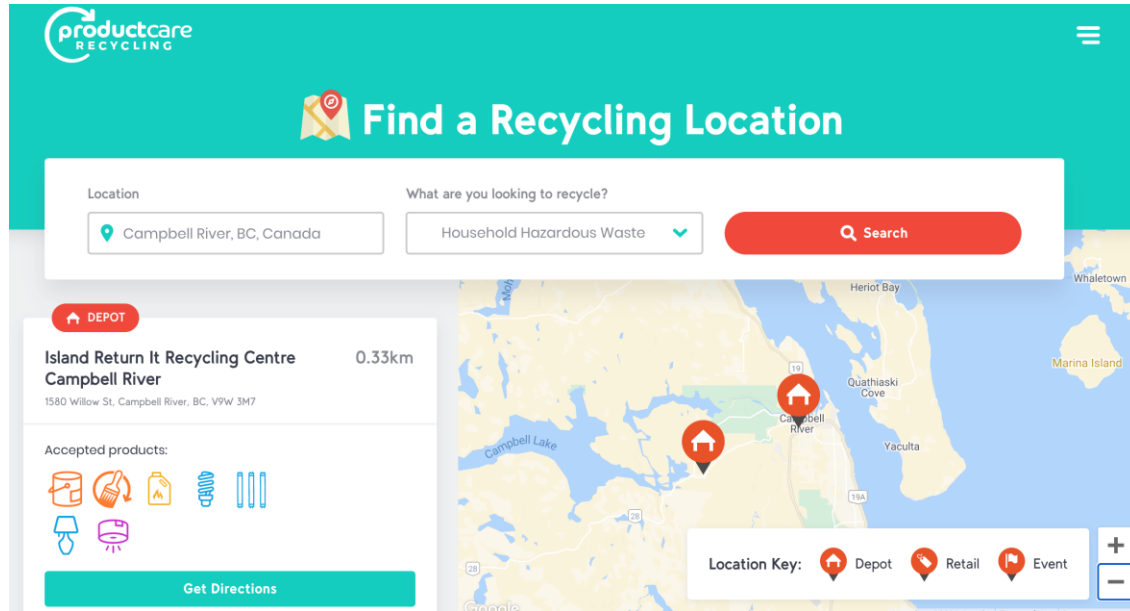
	Collection Site Name	Regional District	City	PAINT SHARE	HHW
178	RONA Home Centre (North Van-Tilford) (#61740)	Metro Vancouver	North Vancouver	No	No
179	RONA Home Centre (Penticton) (#61490)	Okanagan Similkameen	Penticton	No	No
180	RONA Home Centre (Quesnel) (#61320)	Cariboo	Quesnel	No	No
181	RONA Home Centre (South Surrey) (#61240)	Metro Vancouver	Surrey	No	No
182	RONA Home Centre (Squamish) (#61450)	Squamish Lillooet	Squamish	No	No
183	RONA Home Centre (Vernon) (#61300)	North Okanagan	Vernon	No	No
184	RONA Home Centre (Whistler) (#61460)	Squamish Lillooet	Whistler	No	No
185	RONA Home Centre (Williams Lake) (#61340)	Cariboo	Williams Lake	No	No
186	Salmo ValuMart & Bottle Depot	Central Kootenay	Salmo	No	No
187	Salmon Arm Landfill	Columbia Shuswap	Salmon Arm	No	Yes
188	Saltspring Island Recycling	Capital Regional District	Saltspring Island	No	Yes
189	Sardis Bottle Depot	Fraser Valley	Chilliwack	Yes	No
190	Scott Road Bottle Depot	Metro Vancouver	Surrey	No	Yes
191	Sechelt Landfill	Sunshine Coast	Sechelt	Yes	Yes
192	Semiahmoo Bottle Depot	Metro Vancouver	Surrey	No	No
193	Seven Mile Recycling Centre	Mt. Waddington	Port McNeill	Yes	Yes
194	Sidney Bottle Depot (dba Island Return It Sidney)	Capital Regional District	Sidney	Yes	No
195	Silverton Building Supplies	Central Kootenay	Silverton	No	No
196	SLRD Lillooet Landfill	Squamish Lillooet	Lillooet	Yes	Yes
197	Smithers/Telkwa Transfer Station	Bulkley Nechako	Smithers	Yes	Yes
198	South Thompson Eco-Depot	Thompson Nicola	Pritchard	No	Yes
199	South Van Bottle Depot	Metro Vancouver	Vancouver	No	Yes
200	Starlite Auto Wrecking & Repair	Thompson Nicola	Sorrento	Yes	No
201	Stewart Transfer Station	Kitimat Stikine	Stewart	Yes	No
202	Summerland Bottle Depot	Okanagan Similkameen	Summerland	No	No
203	Summerland Landfill	Okanagan Similkameen	Summerland	Yes	Yes
204	Sun Coast Eco-Depot	Alberni Clayoquot	Port Alberni	Yes	Yes
205	T-2 Market	Okanagan	Oliver	Yes	Yes

	Collection Site Name	Regional District	City	PAINT SHARE	HHW
		Similkameen			
206	Thompson Bottle Depot Ltd. (formerly The Bottle Depot dba Port Alberni Return it Depot)	Alberni Clayoquot	Port Alberni	Yes	Yes
207	Thorsen Creek Recycling Depot	Central Coast	Bella Coola	Yes	Yes
208	Town of Princeton	Okanagan Similkameen	Princeton	Yes	No
209	Trail Bottle Depot (0933258 BC LTD)	Kootenay Boundary	Trail	Yes	No
210	Tsal'alh Eco-Depot - Seton Lake	Squamish Lillooet	Shalalth	Yes	Yes
211	Tsawwassen Bottle Depot (D&G Recycling)	Metro Vancouver	Delta (Tsawwassen)	No	No
212	Tumbler Ridge Transfer Station	Peace River	Tumbler Ridge	Yes	Yes
213	Ucluelet Bottle Depot Ltd.	Alberni Clayoquot	Ucluelet	Yes	No
214	Valemount Recycling Centre	Fraser Fort George	Valemount	Yes	No
215	Vancouver West bottle depot	Metro Vancouver	Vancouver	No	No
216	Village of Gold River	Strathcona	Gold River	Yes	Yes
217	Walnut Grove Bottle Depot	Metro Vancouver	Langley	No	No
218	West Boundary Regional Landfill	Kootenay Boundary	Greenwood	No	Yes
219	White Rock Return-It Depot Ltd.	Metro Vancouver	Surrey	Yes	Yes
220	Wide Sky Disposal	Northern Rockies	Fort Nelson	Yes	Yes
221	Willowbrook Recycling Depot	Metro Vancouver	Langley	No	No
222	Woss Recycling Depot	Mt. Waddington	Woss	Yes	No

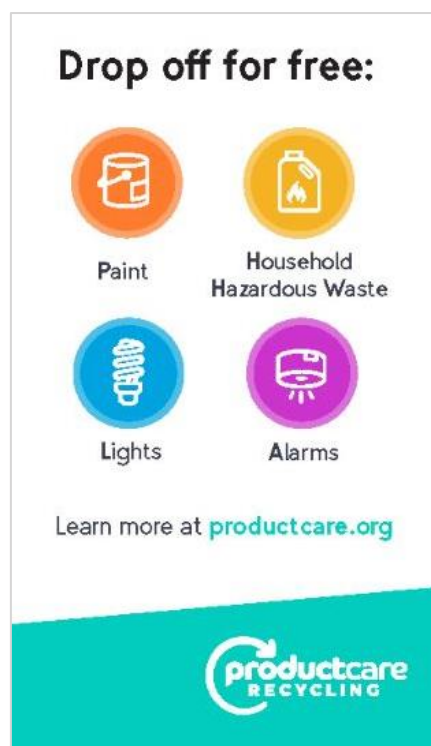
APPENDIX B: Communications Materials

Recycling Locator tool

Below is a snapshot of the recycling locator tool found at ProductCare.org:



Wallet-sized Card






Leftover paint?

Recycle it for free! Visit productcare.org to find a recycling location near you.

productcare.org

 productcare
RECYCLING

A person wearing a blue and white plaid shirt is holding a white plastic jug of pesticide. The jug has a yellow label with a black insect icon and the words "Pesticide". The person is standing in a cornfield with green corn plants in the background.

Leftover flammable liquids, pesticides, or gasoline?

Drop off household hazardous waste for free! Visit productcare.org to find a recycling location near you.

productcare.org





Leftover paint?

Keep the environment in mind and
return it to us for safe disposal.

productcare.org

*In partnership
with:*



Website Blog posts



Blog

7th November 2019

82 million litres of paint recycled: Product Care celebrates 25 years



Blog

3rd December 2019

7 unusual products that can be recycled



[Products](#) [Province](#) [About](#) [Members](#) [Service Partners](#) [Contact](#) [Q](#)

[Find a Recycling Location](#)

It all began with paint recycling

In 1994, British Columbia became the first province to implement an [Extended Producer Responsibility \(EPR\)](#) regulation for architectural (household) paint. This waste management regulation required paint producers to create a network of drop-off locations for people to bring their leftover paint. Once collected, the paint was then recycled. The industry soon realised a collective approach was the best solution, and not-for-profit organization "BC PaintCare" (now Product Care) was born.



Google Search Ad

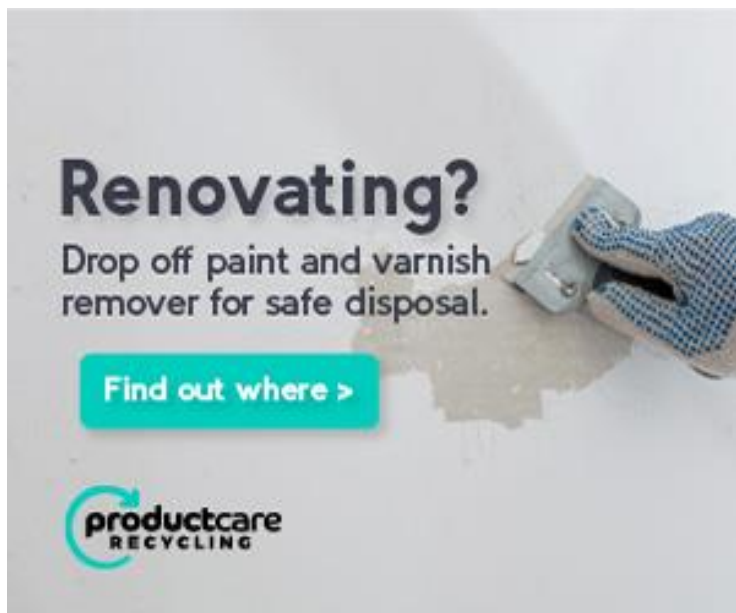
Protect the Environment | Manage Leftover Paint Safely | Find a Recycling Location 

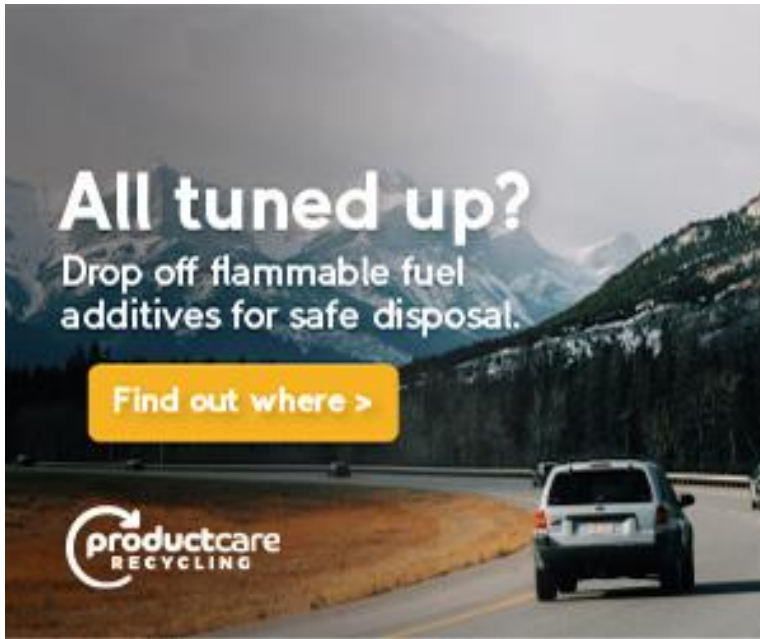
 www.productcare.org/

Keep paint out of landfills - recycle it! Find your nearest recycling location here. British Columbia's paint recycling program is managed by Product Care Recycling.

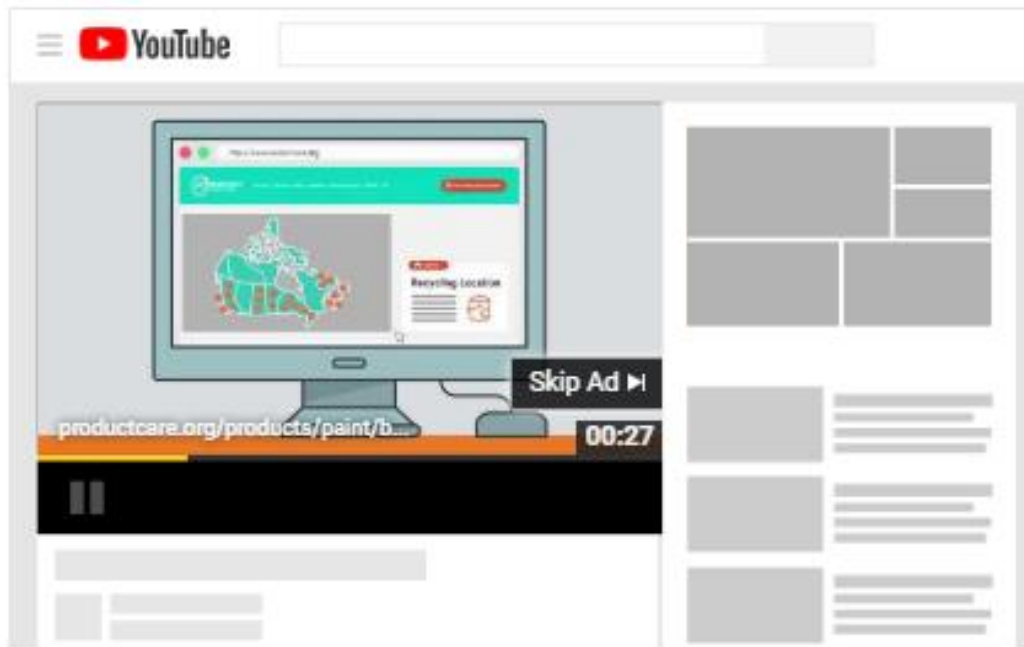
Google and TWN Display Ads







YouTube Video Ad





49.3
million litres
of paint in BC
recovered

Enough to cover nearly
half the land area of BC.

25 YEARS
of recycling

productcare
RECYCLING

The image is a social media asset for the Product Care 25th anniversary paint program. It features a teal background on the left and a collage of open paint cans in various colors (white, blue, pink, purple, orange) on the right. The text is in orange and white, highlighting the achievement of recovering 49.3 million litres of paint in BC, which is enough to cover nearly half the land area of BC. The bottom left corner includes the 25th anniversary logo and the Product Care Recycling logo.

Sample Facebook Ad



Product Care Recycling



August 1, 2019 · 🌐

Did you know that your leftover pesticides, paint thinner and other household hazardous waste can be dropped off for safe management at 200 locations across BC?



[PRODUCTCARE.ORG](https://productcare.org)

**Find Your Nearest Household Hazardous Waste
Drop Off Location**

[Learn More](#)



Product Care Recycling

September 3, 2019 · 🌐

...

In 2018 you helped us divert 10.6 million litres of unused paint from landfill.
Thank you!

If you have unwanted or leftover paint, find your nearest recycling location at
productcare.org/recycling-locator.




PRODUCTCARE.ORG


Recycle Your Paint in BC

Find a recycling location and drop off leftover paint. Paint...

[Learn More](#)


Sample Social Media Post

**Product Care Recycling**...

Published by Alex Barrow [?] · December 1, 2019 · 

Last year, Product Care recovered more than 10.6 million litres of paint 🎨 – enough to paint 95 km² , covering a surface area larger than the city of Guelph, Ontario! 🤯



Learn more about our paint recycling program:
<https://www.productcare.org/products/paint/>



393
People Reached

1
Engagement

Boost Post

 4

How To Refresh a Room With One Simple Step!

MARCH 7, 2019 | TAGS: DIY, HOME



A fresh coat of paint changes everything. It's the best way to refresh a room whether it be in your home or rental space. A home painting project is a great thing to add to your to-do checklist before spring hits. In our bungalow (rental), we had a couple of items that still needed a little attention to detail to pull the space together and make it feel like our own. In our living room area, there is a large set of old windows. (I am really thankful to have so much natural light in here) however, one thing that was bothering me is the old



monikahibbs • Follow

monikahibbs It's amazing what a little paint and creativity can do to bring a space to life. Even though we are renting at the #MHbungalow, we still wanted to make this space feel like home. Painting out the window trim and door in our living area was an easy, cost-effective and environmentally friendly way to update the space. The great part is we were able to pick up free leftover paint from our local recycling centre through @productcarecycling's PaintShare program. Seriously a game changer for small painting projects and DIYs. Head to over to MH for all the details. #sponsored (p.s.: did you see the before photo in my stories? 🤔)

View all 28 comments

marykonkin What an amazing idea!!!!!!
👏👏 And love this space 🥰🥰



1,206 likes

14 HOURS AGO

Log in to like or comment.





**Keep Chilliwack beautiful
with our free recycling
programs**

- ✓ Paint
- ✓ Household hazardous waste
(pesticides, flammable liquids, gasoline)
- ✓ Light bulbs & fixtures
- ✓ Smoke & CO alarms

Find information on accepted products
and drop-off recycling locations at
productcare.org or call 1-800-867-4321

    **productcare**
RECYCLING



Product Care Recycling
helps the paint industry meet
its regulatory obligations while
protecting the environment

For more information about paint recycling programs
in your province, visit productcare.org

Phone: 604-592-2972
Toll Free: 1-877-592-2972
Email: contact@productcare.org

 **productcare**
RECYCLING

APPENDIX C: 2019 Audited Financial Statements

**PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS
WASTE PROGRAM**

STATEMENT OF REVENUES AND EXPENSES

31 DECEMBER 2019

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Statement of Revenues and Expenses
For the year ended 31 December 2019

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INDEPENDENT AUDITORS' REPORT

To: BC Ministry of Environment,

Report on the Audit of the Statement of Revenues and Expenses

Opinion

As required by the British Columbia Environmental Management Act, Recycling Regulation 8(2)(f)(ii), we have audited the Statement of Revenues and Expenses of the BC Paint and Household Hazardous Waste Program (the "Statement") as reported by Product Care Association of Canada (the "Association") for the year ended 31 December 2019 and a summary of significant accounting policies and other explanatory information.

In our opinion, the Statement presents fairly, in all material respects, the revenues and expenses of the BC Paint and Household Hazardous Waste Program for the year ended 31 December 2019 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the Statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter - Restriction on Distribution and Use

This report is prepared on the direction of Product Care Association of Canada's management and the BC Ministry of Environment. As a result, the report may not be suitable for another purpose. Our report is intended solely for Product Care Association of Canada's management and the BC Ministry of Environment and should not be distributed to other parties.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of Statement that is free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITORS' REPORT - continued

In preparing the Statement, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.



INDEPENDENT AUDITORS' REPORT - continued

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rolfe, Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
8 April 2020

**PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM**

**Statement of Revenues and Expenses
For the year ended 31 December 2019**

	2019	2018
Revenues	\$ 8,733,235	\$ 8,896,118
Program expenses		
Processing	3,692,638	3,488,376
Collection	1,575,719	1,522,805
Transportation	1,256,481	1,178,060
Administration (Note 2(b) & (d))	1,161,376	1,112,120
Communications	115,631	42,875
	<u>7,801,845</u>	<u>7,344,236</u>
Excess of revenues over expenses for the year	\$ 931,390	\$ 1,551,882

Commitment (Note 3)

The accompanying notes are an integral part of this statement of revenues and expenses.

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Notes to the Statement of Revenues and Expenses
For the year ended 31 December 2019

1. Basis of Presentation

The Statement of Revenues and Expenses (the “Statement”) only includes the revenues and expenses related to the BC Paint and Household Hazardous Waste Program (the “Program”), a segment of the operations of Product Care Association of Canada (the “Association”).

2. Summary of Significant Accounting Policies

The Statement is prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue Recognition

Environmental Handling Fees are received from members of the BC Paint and Household Hazardous Waste Program. The Association recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Environmental Handling Fees revenues are recognized as individual members report and remit them as required by the Association’s membership agreement which is at the end of the month following the reporting period that the designated program materials were sold by the member.

Members are obligated to remit Environmental Handling Fees for all products sold from the earlier of the Program’s start date or the date when the member started selling obligated products. If, for any reason, a member omits reporting and remitting Environmental Handling Fees associated with sold Program products, the Association will recognize those Environmental Handling Fees as revenue when the amounts are determinable by the Association.

(b) Tangible Capital Assets

Tangible capital assets are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

Building	25 years
Depot equipment	3 and 5 years

Included in administration expense is \$335,982 (2018 - \$342,311) of amortization expense related to tangible capital assets.

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses and disclosure of contingencies included in the Statement. Accounts subject to estimates include revenue accruals, expense accruals, depreciation, overhead allocation and processing commitment. Actual results could differ from those estimates.

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Notes to the Statement of Revenues and Expenses
For the year ended 31 December 2019

2. Summary of Significant Accounting Policies - continued

(d) General and Administrative Expenses - Overhead Allocation

A portion of the total general and administrative expenses of the Association, net of expense recoveries, has been allocated to this Program. The allocation of general and administrative expenses to this Program is determined using the percentage of program specific operating expenses as compared to total operating expenses for all the Association's programs. Included in administration expense is \$466,332 (2018 - \$456,935) of overhead expense allocated to the Program.

3. Processing Commitment

At year end, the Association had unprocessed program materials on hand related to the Program with an estimated cost to process, transport and recycle of \$127,366 (2018 - \$137,654) which will be incurred in 2020.

APPENDIX D: 2019 Non-Financial Audit Report

**PRODUCT CARE ASSOCIATION OF CANADA -
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE
PROGRAM**

**INDEPENDENT REASONABLE
ASSURANCE REPORT**

31 DECEMBER 2019



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INDEPENDENT REASONABLE ASSURANCE REPORT

To the Directors of
Product Care Association of Canada,

Level of Assurance and Selected Information

We have been engaged by Product Care Association of Canada (the “Association”) to perform a reasonable assurance engagement in respect of the following information (the “Selected Information”), detailed in Appendix 1, and also included within the Association’s Annual Report for the BC Paint and Household Hazardous Waste Program to the British Columbia Ministry of Environment and Climate Change Strategy for the year ended 31 December 2019:

- Section 4 - Collection Systems and Facilities and Appendix A - the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the “Recycling Regulation”);
- Section 6 - Pollution Prevention Hierarchy and Product/Component Management - the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- Section 7 - Product Sold and Collected and Recovery Rate - the description of how total amounts of the producer’s product sold and collected and the recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and
- Section 9 - Plan Performance - the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

Our reasonable assurance engagement does not constitute a legal determination on the Association’s compliance with Sections 8(2)(b), (d) and (e) of the Recycling Regulation.

Responsibilities

Preparation and fair presentation of the Selected Information in accordance with the evaluation criteria as listed in Appendix 1 is the responsibility of the Association’s management. Management is also responsible for such internal control as management determines is necessary to enable the preparation of the Selected Information such that it is free from material misstatement. Furthermore management is responsible for preparation of suitable evaluation criteria in accordance with the Recycling Regulation Guidance - Third Party Assurance for Non-Financial Information in Annual Reports – 2019 Reporting Year dated November 2019 as specified by the Director under section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.



Our responsibility is to express an opinion on the Selected Information based on the procedures we have performed and the evidence we have obtained.

Evaluation Criteria

The evaluation criteria presented in Appendix 1 are an integral part of the Selected Information and address the relevance, completeness, reliability, neutrality and understandability of the Selected Information.

Applicable Quality Control Requirements

We apply Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Scope of the Reasonable Assurance Engagement

We carried out our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants. This Standard requires that we comply with independence requirements and plan and perform the engagement to obtain reasonable assurance about whether the Selected Information is free of material misstatement.

A reasonable assurance engagement includes examining, on a test basis, evidence supporting the amounts and disclosures within the Selected Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement in the Selected Information due to omissions, misrepresentations and errors. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the Selected Information in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the entity's internal control. A reasonable assurance engagement also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Selected Information. The main elements of our work were:

- Gain an understanding of the data collection, monitoring and reporting processes through inquiries of management;
- Testing the processes, documents and records on a sample basis;
- Re-calculating quantitative data on a sample basis as it pertains to the Selected Information; and
- Evaluating the presentation of the Selected Information in the Annual Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Selected Information and the methods used for determining and calculating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. Furthermore, the nature and methods used to determine such information, as well as the evaluation criteria and the precision thereof, may change over time. It is important to read our report in the context of evaluation criteria.

**Basis for Qualified Conclusion**

As noted in the Recycling Regulation Guidance - Third Party Assurance for Non-Financial Information in Annual Reports – 2019 Reporting Year dated November 2019, the definition of collection facilities accepting household hazardous waste is required to follow the Environmental Management Act Hazardous Waste Regulation, specifically Section 42.3 *Requirements for Establishment and Operation of a Return Collection Facility* and Section 42.4 *Operating Requirements for a Return Collection Facility* (the “Hazardous Waste Regulations”). We were unable to obtain sufficient appropriate evidence whether the collection facilities accepting household hazardous waste have conformed with the Hazardous Waste Regulations as the Association’s management had not developed a process to evaluate this and as such, the information was not available. Consequently, we were unable to determine whether collection facilities participating in the BC Paint and Household Hazardous Waste Program that accept household hazardous waste had conformed to the requirements of the Hazardous Waste Regulations.

Qualified Conclusion

In our opinion, except for the effect of the matter described in the Basis for Qualified Conclusion paragraph, the Selected Information within Product Care Association of Canada’s Annual Report for the BC Paint and Household Hazardous Waste Program for the year ended 31 December 2019 presents fairly in accordance with the evaluation criteria listed in Appendix 1, in all material respects:

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation;
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- The description of how total amounts of the producer’s product sold and collected and, if applicable, the producer’s recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and
- The description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

Emphasis of Matter

Without further qualifying our opinion, the following should be noted regarding the information contained in the Annual Report:

1. The Selected Information in Section 6 - Pollution Prevention Hierarchy and Product/Component Management includes information related to the disposition of hazardous waste. The product management of hazardous waste is a multi-step process and shipments are tracked on government manifests. Shipments to the primary processor do not indicate the final treatment of products as this takes place at a secondary processor. Materials are comingled at the primary processor before being shipped to a secondary processor. Sample hazardous waste manifests indicating the expected disposition of products for shipments from the primary to secondary processors were obtained from 2 of the 4 hazardous waste primary processors. The final disposition of products shipped to the 2 processors where hazardous waste manifests were not available is based on questionnaire responses from these processors. As such, there is uncertainty surrounding the Selected Information contained in the Pollution Prevention Hierarchy section of Appendix 1 as it pertains to hazardous waste.



2. The Selected Information included in Section 7 specifically relating to Product Sold is based on self-reported member data. During the 2019 fiscal year, the Association performed internal member audits of 17 of the 157 members of the program and as such, the product sold data presented is subject to uncertainty.

Other Matter

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to the Association, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.

Rolfe, Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
30 June 2020

Appendix 1

Evaluation Criteria

Collection facilities

Specific disclosures in the annual stewardship report from Section 4 - Collection Systems and Facilities Information for which evaluation criteria were developed	
Disclosure per Annual Report	Reference
Total number of collection facilities – 222	Table 1: Paint and HHW Contracted Collection Sites, 2018 and 2019; and: Appendix A. Collection Site List by Regional District (as of December 31, 2019)
“As of December 31, 2019, Product Care contracted with 222 permanent collection sites in British Columbia to provide convenient locations for consumers to drop off unwanted Program Products.”	
“One (1) HHW site and three (3) paint sites were added in 2019, while one (1) HHW and two (2) paint sites were removed, representing a net increase of one (1) site from 2018.”	

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- “Collection facilities” are depots that have a signed contract with the Association for the collection of program materials during the reporting period: 1 January – 31 December 2019, a physical location that is available to collect program materials, and the staff of the facility has an adequate understanding of the program.
- The Association maintains a listing of all collection facilities for the program, including the location of the collection facility, the total of which agrees to the number of collection facilities as disclosed in the Annual Report.
- One day collection events are excluded from the listing of collection facilities.
- The change in number of collection facilities is calculated by comparing the current number of collection facilities, a sum of all the collection facilities that have a signed contract within a given reporting year and those that closed within the same reporting year, to the number of collection facilities reported in the prior reporting year.

Pollution prevention hierarchy

Specific disclosures in the annual stewardship report from Section 6 - Pollution Prevention Hierarchy and Product/Component Management for which evaluation criteria were developed

“Product Care endeavours to manage collected products in accordance with the pollution prevention hierarchy. This section details the measures that Product Care follows with respect to each product category based on information provided by downstream processors, where available.”

“The information detailed in this section was verified based on processor questionnaires or site visits of the various processors and the review of final disposition as indicated on hazardous waste manifests as applicable. However, there is greater confidence in the end fate of hazardous wastes given the framework of regulatory requirements governing hazardous materials and commensurate oversight by various environmental departments and agencies.”

“Shipment records evidencing the management of program product may include Certificates of Disposal, bills of lading or processor invoices and the review of final disposition as indicated on hazardous waste manifests as applicable. Shipment records evidencing the management of metal and plastic containers may include bills of lading, scale tickets or processor invoices.”

Material: All Paint Excluding Aerosol (Paint Reuse Program)

“Reusable paint is given away at no charge through the PaintShare (previously Paint Reuse) program to members of the public and non-profit organizations to be used for its originally intended purpose.”

“Based on monthly reports provided by collection sites, approximately 2.1% of the total volume of paint processed in 2019 was reused through the PaintShare program, down from 2.2% in 2018.”

“Based on the estimate of paint containers being 75% full and compared against residual recovery volumes.”

Material: Water-based (Latex) Paint (Excluding Paint Reuse)

End fate:

Recycling – 93.8%, Energy Recovery – 6.2%

Table 7: Program Product End Fate 2019

“Product Care utilizes a number of options for water-based (latex) paint recycling. High-grade recyclable water-based paint is reprocessed into paint and coatings products. The lower grade recyclable paint (i.e., paint that is not suitable for paint to paint recycling) is used as a raw material in the manufacturing of concrete products (blocks, barriers, and Portland cement).”

“According to shipment records, approximately 93.8% of the water-based paint sent to downstream processors by the Program in 2019 was recycled utilizing one of the two options listed above.”

“According to shipment records, 6.2% of the water-based paint sent to downstream processors was used as an alternative fuel in 2019.”

Material: Solvent-based (Alkyd) Paint (Excluding Paint Reuse)

End fate:

Energy recovery – 100%

Table 7: Program Product End Fate 2019

“According to shipment records, 100% of the oil-based paint and aerosol paint shipped to downstream processors from the consolidation facility in 2019 went to hazardous waste management companies who then sent the paint to permitted/licensed facilities to be used for alternative energy recovery.”

Material: Flammable Liquids End Fate: Energy recovery – 100%	Table 7: Program Product End Fate 2019
“According to shipment records, 100% of the flammable liquids shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent them to permitted/licensed facilities to be used for alternative energy recovery.”	
Material: Pesticides End Fate: Incineration – 100%	Table 7: Program Product End Fate 2019
“According to shipment records, 100% of pesticide products shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent them to permitted/licensed facilities for incineration.”	
Material: Gasoline End Fate: Energy recovery – 100%	Table 7: Program Product End Fate 2019
“According to shipment records, 100% of the gasoline shipped from the consolidation facility to downstream processors in 2019 went to a hazardous waste management company who then sent the gasoline to permitted/licensed facilities to be used for alternative energy recovery.”	
Material: Metal Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2019
“Based on shipment records from the consolidation facility, 100% of metal containers processed by the Program in 2019 from paint (including aerosols), pesticides, flammable liquids, pesticides and gasoline were sent for metal recycling.”	
Material: #2 Plastic Containers (paint) End fate: Recycling – 77% Energy Recovery – 23%	Table 7: Program Product End Fate 2019
Material: #2 Plastic Containers (gasoline) End fate: Recycling – 100%	Table 7: Program Product End Fate 2019
Material: Plastic Pesticide Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2019
Material: Plastic Flammable Liquids Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2019
“According to shipment records, 100% of #2 HDPE plastic gasoline containers shipped from the consolidation facility to downstream processors were recycled in 2019. Shipment records also confirm 100% of plastic containers from flammable liquids and pesticides were sent for plastics recycling. 77% of 5 gallon size #2 HDPE plastic paint containers shipped from the consolidation facility to downstream	

processors were recycled and the remaining 23% of the 5 gallon #2 HDPE plastic paint containers were sent to energy recovery as an alternative energy source in licensed incinerators, as demonstrated by shipment records.”	
Material: #5 Plastic Containers End Fate: Recycling – 0.1%, Energy recovery – 99.9%	Table 7: Program Product End Fate 2019
“The Program managed 0.1% of plastic (polypropylene #5) one US gallon size paint cans through recycling and 99.9% through energy recovery.”	

The following evaluation criteria were applied to the assessment of how the recovered product is managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation:

- The Association maintains a listing of all products shipped to the primary processor which is supported by shipping documents or processor invoices.
- Shipments of non-hazardous waste are supported by shipping documents indicating the type and amount of product received.
- Shipments of hazardous waste flow through a multi-step processing environment. Shipments to the primary processor are supported by the applicable government manifest which does not include information on the expected disposition of product by the secondary processor. Shipments from the primary processor to the secondary processor are supported by the applicable government manifest which includes co-mingled materials from other sources and information on the expected disposition as completed by the consignee after receiving the shipment. Sample hazardous waste manifests indicating the expected disposition of products for shipments from the primary to secondary processors were obtained from 2 of the 4 hazardous waste primary processors. Information on expected disposition from the other processors are obtained through processor questionnaires on product management.
- The processors provide information on product management in an annual questionnaire.
- The Association performs periodic site inspections for certain of the non-hazardous waste processors’ facilities. Site inspection criteria have been developed to confirm the responses in the questionnaire provided by the primary processor. The initial site inspections for the non-hazardous waste processors were performed in 2015 and 2016 and subsequent site inspections are performed on a rotating five year schedule.

Product sold and collected and recovery rate

Specific disclosures in the annual stewardship report from Section 7 - Product Sold and Collected and Recovery Rate for which evaluation criteria were developed	
Disclosure per Annual Report	Reference
Product Collected Paint (non-aerosol) collected – 2,885,907 Litres Paint (aerosol) collected – 43,597 Litres Flammable Liquids/Gasoline collected – 146,958 Litres Pesticides collected – 23,435 Litres	Table 9: Approximate Total Collected Volumes (residual recovery volume) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2019)
“Paint residual recovery volume was calculated using a conversion factor of 108.7 litres per tubskid, based on the average volume generated per tubskid over the full year 2019.”	

<p>“Paint aerosol residual recovery volume was calculated using a conversion factor of 30.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2019.”</p> <p>“Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 160.6 litres per tubskid, based on the average volume generated per tubskid over the full year 2019. This does not include volume from flammable or pesticide aerosols.”</p> <p>“Pesticide residual recovery volume was calculated using a conversion factor of 154.4 litres per tubskid, based on the average volume generated per tubskid that was processed in between February-April, 2019, where the residuals were actually emptied and consolidated as opposed to the other months where the containers were just sorted, but not emptied.”</p>	
<p>Product Sold Paint sold – 30,682,335 Litres</p> <p>Flammable Liquids/Gasoline sold – 2,782,170 Litres</p> <p>Pesticides sold – 129,615 Litres</p>	<p>Table 11 – Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2019)</p>
<p>“With regard to gasoline collection, members report the number of gasoline stations, not volumes of gasoline sold. Therefore, sales volumes (in litres) for gasoline are not available and are excluded from the flammable liquids/gasoline category. Gasoline collected volumes are included in the residual recovery volumes for flammable liquids, as gasoline and other flammable liquids are processed together and therefore indistinguishable.”</p> <p>“Volumes reported as “Sales (litres)” are estimated by converting units reported to Product Care by its members according to the typical container volume for each container size category.”</p>	
<p>Recovery Rate Recovery rate Paint – 9.55%</p> <p>Recovery rate Flammable Liquids/Gasoline – 5.28%</p> <p>Recovery rate Pesticides – 18.08%</p>	<p>Table 11 – Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2019)</p>

The following evaluation criteria were applied to the assessment of the description of how total amounts of the producer’s product sold and collected and, if applicable, the producer’s recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation:

Product Collected

- The Association maintains a listing of product collected by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.
- Each shipment of product collected is supported by documentation indicating the total units collected and the type of program materials collected which has been agreed upon by the shipper, receiver and carrier.
- The calculation of total litres of program materials collected is based on total units collected and converted to litres using the standard volume of containers used to collect the materials and the average litres of program materials collected from each container.

Product Sold

- The Association maintains a listing of product sold by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.
- The units of product sold per program category have been recalculated using the data included in the Association's audited financial statements. Data not included in the audited financial statements has been agreed to supporting documents and recalculated.
- The calculation of total litres of program material sold is based on total units sold converted to litres based on the average volume of the most popular container sizes sold as provided by the Association's members.
- Units sold are determined based on self-reporting by each member of the Program. A key source of information in determining the accuracy of units sold and reported to the Program by members is the internal audit process carried out on sales data reported by individual members. The Association has performed 17 internal audits of its 157 members' sales data for the 2019 fiscal year.

Recovery Rate

- The calculation of the recovery rate is based on the Residual Recovery Volume in litres divided by the sales in litres.
- The calculation of the recovery rate has been performed accurately using the appropriate sources of information for product collected and product sold.

Performance targets

Specific disclosures in the annual stewardship report from Section 9 - Performance Measures for which evaluation criteria were developed	
Target – maintain a minimum of 219 collection sites 2019 Assertion – Target exceeded: 222 collection sites	Table 13 – Key Performance Measures
Target – recycle a minimum of 75% of water-based (latex) paint 2019 Assertion – Target exceeded: 93.8% of water-based paint was recycled	
Target – 100% of solvent-based (alkyd) paint sent to energy recovery 2019 Assertion – Target met: 100% of solvent-based paint was sent to energy recovery	
Target – Strive for 100% recycling of metal & HDPE (#2) paint containers 2019 Assertion – Target not met: 100% of metal paint containers recycled; 77% of #2 plastic paint containers were recycled	
Target – 100% of polypropylene (#5) paint containers sent to energy recovery 2019 Assertion – Target not met: 99.9% of #5 plastic (polypropylene) containers were used as an alternative energy source in licensed incinerators, and 0.1% were recycled	
Target – 100% of flammable liquids sent to energy recovery 2019 Assertion – Target met: 100% of flammable liquids were sent to energy recovery as an alternative energy source in licensed incinerators	

<p>Target – Strive for 100% recycling of flammable liquid containers 2019 Assertion – Target met: 100% of flammable liquid containers were recycled</p> <p>Target – 100% of pesticides sent for incineration 2019 Assertion – Target met: 100% of pesticides were sent for incineration</p> <p>Target – Strive for 100% recycling of metal and plastic pesticide containers 2019 Assertion – Target met: 100% of metal & plastic pesticide containers were recycled</p> <p>Target – 100% of gasoline sent to energy recovery 2019 Assertion – Target met: 100% of gasoline liquids were sent for energy recovery as an alternative energy source in licensed incinerators</p> <p>Target – Strive for 100% recycling of gasoline containers 2019 Assertion – Target met: 100% of gasoline containers were recycled</p>	
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The following evaluation criteria were applied to the assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation:

- All stewardship plan targets relating to Section 8(2)(b), (d) and (e) of the Recycling Regulation have been identified and reported on by management in the Annual Report.
- The description of progress against targets to date is supported by records of progress maintained by the Association.