

**MEMORANDUM OF UNDERSTANDING  
IN RELATION TO THE  
HOUSEHOLD BATTERY STEWARDSHIP PROGRAM**

This Memorandum of Understanding is made effective this 14<sup>th</sup> of July 2015, in the Province of Prince Edward Island;

**BETWEEN**

The Government of Prince Edward Island, as represented by the Minister of Communities, Land and Environment,

**AND**

Call2Recycle Canada, Inc.

**PURPOSE OF THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM:**

1. The overall purpose of this Memorandum of Understanding (MOU) is to enable the household battery industry to address the environmentally responsible management of end-of-life household batteries. End-of-life batteries include all household single use and rechargeable dry-cell batteries of less than 5kg marketed and recovered in the Province of Prince Edward Island.
2. As a component in an overall approval to address the challenges involved in sustaining the environment, product stewardship involves the constructive involvement of manufacturers, brand owners and first importers in the management of recyclable materials and the avoidance of end-of-life batteries in the solid waste stream sent to landfills. By taking responsibility for the waste management aspects of their products, industry can contribute by:
  - a) integrating recycling considerations into the manufacturing of their products,
  - b) providing funding assistance for solid waste management as it relates to responsible recycling of household batteries in the solid waste stream,
  - c) providing industry leverage to communicate the safe collection, transportation and recycling message to reach the entire audience of potential recycling participants,
  - d) maintaining an ongoing information scan and research process to ensure that all pertinent information with respect to reducing, reuse and recycling of end-of-life household batteries is maintained.

On-going public and industry relations are a critical feature in ensuring that the recycling process will succeed in the long term. Industry can support public and industry education with respect to recycling, in general, and the industry's own products, in particular.

3. This MOU further recognizes that the Minister of Communities, Land and Environment for the Province of Prince Edward Island approves the development of an end-of-life Household Battery Stewardship Program, as presented by Call2Recycle Canada, Inc., and attached as Appendix "A".

STATEMENT OF THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM  
PRINCIPLES:

1. Household batteries include, but are not limited to, the following dry-cell batteries with an individual weight not over 5kg:
  - a) Nickel Cadmium (Ni-Cd),
  - b) Nickel Cadmium Hydride (Ni-MH) and Nickel Zinc (Ni-Zn),
  - c) Lithium Ion (Li-Ion),
  - d) Small Sealed Lead Acid (SSLA/Pb),
  - e) Lithium Primary,
  - f) Alkaline (AA, AAA, C, D, 9V, etc...).
2. The manufacturers, brand owners and first importers of end-of-life household batteries represented by Call2Recycle Canada, Inc. will take responsibility for ensuring end-of-life household batteries are recycled and diverted from the solid waste stream in Prince Edward Island.
3. The Prince Edward Island Household Battery Stewardship Program will be monitored in order to allow the opportunity of reviewing program costs, new innovations and new technologies.
4. Household batteries will be managed and recycled in a manner consistent with the *Prince Edward Island Environmental Protection Act* and all other relevant Federal and Provincial environmental regulations.
5. Household batteries are used by many Islanders and businesses. The Household Battery Stewardship Program will be implemented throughout the province by way of drop-off points set up by Call2Recycle Canada, Inc. as necessary to ensure a comprehensive and effective collection system for end-of-life household batteries.
6. Where possible, the Household Battery Stewardship Program will make use of existing infrastructure compatible with end-of-life household batteries as provided for in the stewardship plan.
7. Any price increase involved in the sale of household batteries attributed to the Household Battery Stewardship Program will not be passed on to consumers by way of a separate fee. Stewardship costs will be built into the overall cost of purchasing the products.

## MANAGEMENT REVIEW:

1. Call2Recycle Canada, Inc. will establish a joint Atlantic Canada Advisory Committee that will include a minimum of two (2) members chosen by the Prince Edward Island Department of Communities, Land and Environment, with the duty to meet at least annually, and a mandate to review the operation of the Household Battery Stewardship Program for current and future batteries covered by the program.
2. The Advisory Committee will annually review the effectiveness and efficiency of the program, bring forward recommendations, and file a written report with the Minister of Communities, Land and Environment and with Call2Recycle Canada, Inc. The annual review will be carried out in May and June following each fiscal year, which will be the time period related to the review. The written report shall be made before the end of June each year.
3. The parties agree that it is appropriate for Call2Recycle Canada, Inc. to maintain a management information system that enables it to determine the costs and efficiency of managing each type or classification of end-of-life household batteries covered by the Household Battery Stewardship Program pursuant to the MOU.
4. A separate internal report providing information related to the overall cost of the Prince Edward Island Household Battery Stewardship Program which shall include: the money collected by Call2Recycle Canada, Inc. from manufacturers, brand owners and first importers of products covered by the program, the money used for operating the Household Battery Stewardship Program and any surplus realized by Call2Recycle Canada, Inc. as a result of the Prince Edward Island Household Battery Stewardship Program, will be delivered, in confidence, to the Minister of Communities, Land and Environment before the end of July each year.
5. The Minister of Communities, Land and Environment maintains the right to audit the Prince Edward Island Household Battery Stewardship Program.

## FUNDING:

1. Call2Recycle Canada, Inc. will provide funding for the environmental management of end-of-life household batteries collected in Prince Edward Island. Specifically, Call2Recycle Canada, Inc. will:
  - a) provide the funding of the Household Battery Stewardship Program via the financial contributions of its members, in accordance with the rates established by Call2Recycle Canada, Inc., and
  - b) work with manufacturers, brand owners and first importers to translate the financial contributions of its members into a component of the overall price of new household batteries.

2. As the recycling program gains experience, costs may vary and therefore Call2Recycle Canada, Inc. will undertake annual reviews to ensure that contributions remain current with actual costs.

#### THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM


1. Call2Recycle Canada, Inc. has, along with this MOU, submitted a stewardship program plan to the Prince Edward Island Minister of Communities, Land and Environment.
2. Call2Recycle Canada, Inc. will, within three (3) months of receiving a letter from the Minister of Communities, Land and Environment indicating that the stewardship program plan is acceptable, launch the Prince Edward Island Household Battery Stewardship Program throughout the province.
3. The Prince Edward Island Household Battery Stewardship Program plan shall provide for the following:
  - a) the collection of all end-of-life household batteries sold in Prince Edward Island,
  - b) proper environmental management of all end-of-life household batteries collected,
  - c) Call2Recycle Canada, Inc.'s plan that will include reporting the following:
    - i) Quantities of household batteries marketed in Prince Edward Island (excluding exports) by unit, weight, and weight per capita,
    - ii) Key Performance Indicators that will allow for comparison of the Prince Edward Island stewardship program to other Canadian jurisdiction programs,
  - d) the establishment of drop-off depots that will ensure reasonable and free consumer and industry access for the disposition of end-of-life household batteries by all Islanders, with a particular focus on increasing collection sites at government facilities (Fed/Prov/Mun), K-12 and post-secondary schools and return-to-retail locations.
  - f) a communication plan for informing consumers and industry of the Call2Recycle Canada, Inc. Household Battery Stewardship Program and the location of drop-off depots,
  - g) the elimination or reduction of the environmental impacts of end-of-life household batteries.

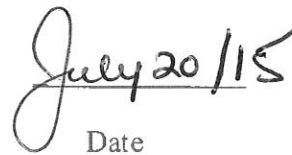
## ANNUAL REPORT


1. A year for the Prince Edward Island Household Battery Stewardship Program shall end each year on December 31.
2. Call2Recycle Canada, Inc. shall, on or before July 1 in each year, provide the Prince Edward Island Minister of Communities, Land and Environment with an annual report detailing the effectiveness of the Household Battery Stewardship Program plan during the previous year including, but not limited to the following:
  - a) weight of household batteries marketed and per capita weight marketed,
  - b) weight of household batteries collected and sent for recycling and per capita weight collected and sent for recycling,
  - c) total weight of metals and elements recovered for use by product manufacturers,
  - d) a description of the types of processes utilized to recycle or otherwise treat household batteries recovered,
  - e) the location of drop-off depots for household batteries,
  - f) the location of any processing or containment facilities used for the Prince Edward Island Household Battery Stewardship Program,
  - g) the types of consumer and industry information, educational materials and strategies adopted by Call2Recycle Canada, Inc. in relation to the Household Battery Stewardship Program,
  - h) financials.

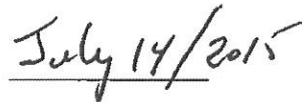
TERMINATION

- This MOU is for five (5) years, but will be subject to an annual management review. At the end of five years it may be extended for an additional period of time by mutual agreement of the two parties. Change to the terms, including those party to the MOU, may be proposed by the signatories but must be approved by all parties.
- This MOU may be terminated by any of the signatories with a 90-day written notice to the other parties.
- No material change to the approved PEI Household Battery Stewardship Program Plan may be implemented without prior written approval of the Minister.

  
\_\_\_\_\_  
(Name) Executive Director  
Call2Recycle Canada, Inc.  
Joe Genobio

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
(Name)  
Minister  
Communities, Land and Environment

  
\_\_\_\_\_  
Date

APPENDIX "A"



Call2Recycle Canada, Inc.

**Prince Edward Island  
Household Battery Stewardship  
Program Plan**

**For submission to:**

John S. Hughes  
Director, Special Projects  
Department of Communities, Land and Environment  
Telephone: (902) 368-5884  
E-mail: [jshughes@gov.pe.ca](mailto:jshughes@gov.pe.ca)

June 30, 2015

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## **1. Definitions**

For the purpose of this Program Plan, the following terms shall apply:

"Covered Products" means dry-cell household single-use and rechargeable batteries under 5 kilograms.

"Drop-Off Location" means a permanent or seasonal location where covered products can be dropped off.

"Members" means members of Call2Recycle Canada, Inc.

"Obligated Enterprises" means manufacturers, brand owners and first importers that market household batteries in Prince Edward Island, and that under a new provincial regulation not yet passed would be required to operate an individual program to recover and reclaim household batteries, or may become Members of Call2Recycle Canada, Inc. (as an Industry Funded Organization, recognized by the Province).

"Organization" means Call2Recycle Canada, Inc.

"Phase 1" means prior to the covered products being regulated by the Province.

"Phase 2" means if covered products are regulated by the Province.

"Party" means the Prince Edward Island Department of Communities, Land and Environment and Call2Recycle Canada, Inc.

"Products Marketed" means all Covered Products that are sold, rented, given or otherwise distributed in the Prince Edward Island market during a calendar year.

"Program Plan" means the Prince Edward Island Household Battery Stewardship Program Plan submitted by Call2Recycle Canada, Inc. to the Prince Edward Island Department of Communities, Land and Environment.

## **2. About Call2Recycle Canada, Inc.**

Founded by concerned battery manufacturers, Call2Recycle Canada, Inc. is a non-profit organization that collects and recycles batteries at no cost for consumers, businesses and municipalities. Since 1997, Call2Recycle Canada has diverted over 7.5 million kilograms of batteries from the solid waste stream and established over 7,000 collection sites throughout Canada.

A leader in its field, the Call2Recycle® program was built upon a commitment to environmental sustainability and it meets or exceeds the most rigorous recycling standards for the safe

recycling and management of household batteries. It is the first program of its kind to receive the Responsible Recycling Practices Standard (R2) certification.

Call2Recycle® is the official household battery stewardship program in British Columbia, Manitoba and Quebec. The organization also currently serves as the preferred provider for battery recycling for Canada's Federal Government agencies and departments.

With this strong sustained presence in Canada for nearly 20 years, Call2Recycle Canada is excited for the opportunity to expand its collection and recycling network in Prince Edward Island.

### **3. Purpose**

The purpose of this Program Plan is to outline the key elements necessary for the Organization to implement, operate, fund and report on the outcomes of a province-wide stewardship program to collect and recycle household batteries, and for the Prince Edward Island Minister of Communities, Land and Environment to formally recognize the program.

It is anticipated that a new regulation may be passed in Prince Edward Island in coming years, requiring that enterprises marketing household batteries in the Province either set up an individual collection and recycling program, or become Members of the Organization. It is expected that such new regulation will require that the Obligated Enterprises report the quantities of household batteries that they market in the Province and fund the collection and recycling of end-of-life batteries.

This Program Plan refers to both "Phase 1" and "Phase 2" situations.

Under Phase 1, funding for the program may only come from national and international manufacturers, on a voluntary basis, and the actual quantities of Products Marketed in the Province are not available, they can only be estimated by these manufacturers.

Under Phase 2, Members will be required to report the actual quantities of household batteries that they market in the Province and to fund the program on the basis of these quantities.

### **4. Term of Program Plan and Withdrawal of Parties**

This Program Plan covers a five-year term and comes into effect at the date of signing by the Minister (or Minister's designate) and by the Organization, as defined herein.

Notwithstanding the duration of the Program Plan, either Party may withdraw for any reason by giving the other party a 90-day advance written notice to that effect.

## **5. Scope**

This Program Plan applies to all Covered Products in Prince Edward Island, including orphan, historic and imported covered products, as well as Covered Products from non-participating brand owners and first suppliers when consumers and other end-users bring such products to the Organization's drop-off locations.

## **6. Program Measures**

The Organization will implement the Program Plan in Prince Edward Island and will administer it in accordance with the following measures.

### **6.1 Accessibility**

The Organization will rely on the expansion of its Call2Recycle® program network to ensure that household battery collection is made available to the population in a wide and convenient manner.

Based on experience, it is expected that the most common locations will be retail stores such as hardware stores, electronics stores, drugstores, and general stores in rural areas. In addition, the Organization will expand its municipality network and support logistically all municipalities that want to participate in the program, and it will look at various collection models that may increase diversion and deliver cost efficiencies.

A minimum of one (1) public access point per municipality will be provided whenever feasible.

Schools may volunteer to register as collection points and encourage students to bring batteries to their collection boxes. Schools may also opt to become public collection points if security considerations allow it. The Organization will supply information/awareness/education material intended for children, to be used in schools.

The Organization will continue to collect batteries from ICI sources and seek the participation of new ICI sources, in particular Federal, Provincial and Municipal government offices, and health care centres.

Where justified by the volumes, bulk collection in metal drums will also be accepted.

The Organization does not charge the population for its services, particularly for its boxes and their transportation. Drums are also picked up and transported free of charge.

### **6.2 Operations**

The Organization will operate in both official languages, where required or appropriate.

The Organization will partner with local suppliers, including transporters, where possible.

Best management practices and guidelines including handling and safety requirements will be followed. In particular, the Transport Canada guidelines for the transportation of batteries will be strictly respected.

After sorting by chemistry, the batteries that the Organization collects will be sent to the appropriate specialty processors, who all meet rigorous recycling standards.

(See: [http://www.call2recycle.ca/wp-content/uploads/C2R182r2-Call2Recycle-Recycling-PowerPoint-Flow-Chart-Canada\\_092613.pdf](http://www.call2recycle.ca/wp-content/uploads/C2R182r2-Call2Recycle-Recycling-PowerPoint-Flow-Chart-Canada_092613.pdf) and <http://www.call2recycle.ca/certifications/>.)

### 6.3 Funding

All the services provided by the Organization are offered at no cost to the population. The Organization does not receive any government subsidies, and as a not-for-profit organization, it does not pay any fees to government agencies either.

During Phase 1 (no regulation in place), the program will be funded on a voluntary basis by the existing stewards of the Organization, which are for the most part national or international battery and/or product manufacturers and marketers.

During Phase 2, i.e. once a new regulation is passed that will render household battery collection and recycling mandatory in the Province, funding will come through a standard eco-fee system from Obligated Enterprises, i.e. the enterprises marketing household batteries in the Province. Program costs will be internalized, and therefore will be part of the overall cost of the products.

Information related to program funding and program costs will be provided to the Minister of Communities, Land and Environment in an internal confidential annual report.

### 6.4 Communications and Public Awareness

The Organization will use a variety of methods to communicate information about the program to the public, and to increase awareness of the program and its objectives, including:

- Provincial program Web site
- Promotional material (posters, signage, etc.)
- Media plan (subject to cap<sup>1</sup> based on percentage of total program costs)
- Annual reports (will provide information on the quantities marketed<sup>2</sup>, the quantities collected, the collection points, the recycling processes used, and communication

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<sup>1</sup> During Phase 1 (no regulation in place, and funding by national and international manufacturers on voluntary basis), total media expenses will be capped at 5% of total program costs. This cap may be revised upwards during Phase 2, when a regulation will be in place and funding will be coming from Obligated Enterprises.

<sup>2</sup> During Phase 1 (no regulation in place), the quantities of Products Marketed reported will be estimates provided by national and international manufacturers, whereas during Phase 2, i.e. after a new regulation is passed, the quantities reported will be the actual quantities of Products Marketed reported to the Organization by its Members who are Obligated Enterprises in Prince Edward Island.

activities, and will include the auditors' report confirming the quantities<sup>3</sup> and the list of drop-off points reported).

- Training and outbound calls for/to collectors to ensure that they understand the program and can communicate it to local residents.

## 6.5 Governance

The Parties will, together with each of the other Atlantic Provinces that enter into a similar stewardship plan, establish a joint Atlantic Canada Advisory Committee to discuss program progress and issues, based on the following parameters:

- The joint board will be established within a year of beginning the program;
- The board will meet at least once a year, in one of the Atlantic Provinces covered, in rotation if applicable;
- The board will have a minimum of four (4) members and a maximum of eight (8) members, each Province choosing two (2) members once all Provinces have joined the program, and a maximum of four (4) members by Province until we reach this point;
- The recommendations of the Committee, although non-binding, will be considered annually as part of the program improvements and efforts to increase diversion;
- The respective Government representatives will be able to attend these meetings as observers;
- The Organization will meet at least annually with each Provincial ministry, department or agency concerned to discuss the program, its performance and future plans;
- All costs (e.g. travel, report writing, etc.) associated with the Committee will be covered by Call2Recycle Canada, Inc.

## 6.6 Performance Measurement

Program performance may be assessed through various metrics. They include accessibility, which may be measured by the number of drop-off locations available to the population, collections, measured by the quantities of used batteries collected through the program, and efficiency, as reflected by program costs. All these metrics will be reported as part of the annual reports.

After the program gains experience and sufficient historical data is accumulated, it will also be possible to set targets in terms of recovery rates.

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<sup>3</sup> During Phase 1, only the quantities collected by the Organization will be audited, whereas during Phase 2, the quantities of Products Marketed will also be audited.

## 6.7 Provincial Cooperation

The Province will support the program, including communications with municipalities as appropriate.

The Province will support the implementation or expansion of collection sites within appropriate departments and government agencies (e.g. hospitals, legislative buildings, etc).

The Province will recognize the program under the Program Plan and present it in appropriate department and/or government agency Web sites, and it will provide links to the Organization's Web site for its residents.