

Canada's Response to Scrap Tire Management

Border 2012 Tire Group
Meeting

Thur. March 12, 2009

Agenda

- Profile of Canada
- Scrap Tire Management in Canada
 - Impetus for a Tire Program
 - Describe Different Models
 - Key Elements for Success

Canada

- 33 Million People —→ 33 M tires
- Ten provinces, three territories
- Scrap tires are a provincial jurisdiction
- All provinces introduced tire programs in the 1990's

Hagersville Tire Fire

- Feb 1990 Tire Fire in Ontario
- 14 Million Tires burned for 17 days
- A wake-up call to all provinces to create a tire program



2 Types of Tire Programs in Canada

- Government – Run
 - Ministry of Environment
 - Crown Corporation
- Industry Stewardship
 - Shared Responsibility ie. tire retailers & manuf.
 - Extended Producer Responsibility ie. Brand Owners and 1st Importers (Ontario 2009)

Common Program Elements

- Eco fee based on the retail sale of a new tire (\$3-5/tire)
- The eco fee is sent from the retailer to the Agency (Gov't. or Industry), which uses all the monies to:
 - Pay the tire hauler for the collection of retailer's scrap tires once he delivers to processor (helps to eliminate illegal dumping)
 - Pay the tire processor a fee to cover two things:
 - The processor's 'tip fee' (help reduces illegal dumping)
 - A processing incentive to produce higher value products
- Public Education // Promotion of Recycled Products
- R&D Funding // Stockpile Abatement
- Track scrap tire collection from retailer to hauler to processor
- Agency is Responsible and Accountable

Key Elements of the Funding Model

- The fee must be high enough
- All the monies collected go to scrap tire management
- Retailer receives free scrap tire pick-up
- Hauler must not be paid until tires delivered to registered processor (eliminates illegal dumping)
- Processor is only paid when he sells product into the marketplace (to discourage stockpiling tires or finished goods)
- Program must not be voluntary. It must be a Regulatory initiative to:
 - Identify the obligated steward ie tire retailer, brand owner, first importer, tire manufacturer etc.
 - Allow Stewards to create an Agency to develop their program and make them responsible and accountable

Industry Funding Organization

- The IFO (Industry Funding Organization) is a not-for-profit agency created by the obligated stewards to write, implement and manage the stewardship program.
- The IFO board of directors will be comprised of key tire stakeholders ie. retailers/dealers, manufacturers, OEMs
- Generally speaking, other affected stakeholders such as processors, haulers, environmentalists, municipalities etc will be part of an Advisory Committee to the Board, but not on the Board.



Questions?

