



**Canadian Vehicle
Manufacturers' Association**
**Association canadienne
des constructeurs de véhicules**

Media Release

Recycle My Ride Right

Ontario automotive recyclers invite Ontario's political parties to endorse a first in North America industry led environmental management system for end-of-life vehicles

(Toronto, August 10th 2011) The Ontario Automotive Recyclers Association (OARA) is asking Ontario's political parties to endorse an industry led initiative to establish an environmental management system for end-of-life vehicles (ELV) in Ontario.

The ELV industry standard (ELV-IS) for environmental management has been developed by OARA in collaboration with the Canadian Vehicle Manufacturers' Association (CVMA) and is designed to bring common environmental standards to the ELV recycling sector, while ensuring that automotive consumers do not face the burden of any new recycling fees.

Key Canadian environmental non-government and automotive consumer organizations have endorsed the environmental standards based approach.

This environmental management system will be a North American first for standardizing automotive recycling operations. Two out of 3 ELV generated in Ontario annually are not managed to any environmental standard whatsoever – the system will ensure the safe and responsible environmental management of approximately 550,000 ELV that require environmental decommissioning in Ontario each year.

The objective of ELV industry standard is to:

- **Protect Ontario lands and waterways** from discharges of hazardous and toxic substances;
- **Reduce scrapyards fires;**
- **Increase reuse and recycling of automobile components and materials**, drive continuous improvement in vehicle recycling while avoiding unnecessary economic impacts to auto recycling businesses;
- **Create green jobs in the automotive recycling sector** – a potential for over 1,500 incremental jobs in auto-parts reuse and recycling;
- **Reduce fraudulent swapping of Vehicle Identification Numbers (VIN)** by properly retiring them once a vehicle is recycled;
- **Support vehicle manufacturers** by ensuring access to a regulated system for ELV recycling where manufacturers choose to establish their own vehicle retirement programs; and
- **Avoid consumer eco-fees on automobiles**

The proposed environmental management system will require all businesses engaged in the recycling of ELVs in Ontario to be licensed and as a condition of licensing to adhere to a common vehicle decommissioning standard prior to any vehicle being recycled for its parts or metal value.

Building on Environment Canada's voluntary National Code of Practice for Automotive Recyclers developed for the National Vehicle Scrappage Program ("Retire Your Ride"), the new recycler's environmental performance standard will require automobile recyclers to safely remove and recycle environmentally sensitive substances such as fuel, engine oil, brake and transmission fluid, antifreeze, air conditioning refrigerants, and heavy metals such as lead and mercury.

The environmental management system will be managed by a not for profit End-of-Life Vehicle Industry Standards Council that will be governed by a multi-stakeholder board and will ensure that necessary oversight.

The Council will not have any authority or ability to levy fees or charges on automotive consumers or vehicle manufacturers. Rather, the Council's environmental standards oversight activities will be funded through licensing of automotive recyclers. A condition of licensing will be that anyone wishing to drop off an ELV to a licensed recycler will be able to do so free of charge.

Implementation of the new environmental management system requires the Ontario Government to amend Ontario's *Environmental Protection Act* and the *Safety and Consumers Statute Administration Act* to facilitate the creation of the environmental management system oversight body.

"Ontario's automobile recyclers welcome the opportunity to work with Ontario's auto manufacturing sector in developing the proposal," stated OARA Executive Director Steve Fletcher. "Ontario's auto recycling industry already reuses or recycles up to 85% of your typical end-of-life vehicle but a lot of that recycling is not done to any specific environmental management standard. This often results in "cutting corners" resulting in poor environmental management practices. If implemented, the proposed environmental management system will ensure a common decommissioning standard for the substances of greatest environmental concern in your car. That's good for our industry and for Ontario's environment," notes Fletcher.

Ontario Minister of Economic Development and Trade, Sandra Pupatello, observed, "Improving and protecting our environment while creating jobs is a top priority for the McGuinty government and I am encouraged to see our automotive industry moving forward with this industry-led initiative."

"This is an important initiative for all automakers," states CVMA President Mark Nantais. "Government support in establishing this system to oversee a common recycling standard for managing vehicles is something we currently do not have. It will ensure that any vehicle retired in Ontario will be recycled in the most environmentally responsible manner possible," adding, "Automobiles are already one of, if not, the most recyclable complex consumer products on the market. Working with the well-established recycling industry to ensure that ELVs are properly decommissioned and recycled brings a higher level of confidence in environment protection."

"We envision a common environmental standard and a self-sustaining means to oversee that standard as the only way to both ensure improved environmental performance and economic growth in auto recycling in Canada" says Wally Dingman, Chair of the Automotive Recyclers of Canada, adding, "For me, this is all about seeing more cars processed in a way that results in both better environmental outcomes and more jobs and investment in the almost two thousand auto recyclers operating across Canada."

For more information go to: http://oara.com/fileUploads/1311596363--OARA_ELVIS_White_Paper_FINAL.pdf

Video footage is available upon request from Automotive Recycling facilities located in Aurora, Etobicoke, Hamilton, Kitchener-Waterloo, London, Oshawa, Port Perry and Scarborough.

Digital images of the media conference are also available.

For interviews, access to video footage and further information, contact:
Don Huff, Environmental Communication Options, 416-805-7720 or huffd@ecostrategy.ca

Summary of the Key Elements of the End of Life Vehicle Environmental Management System

- **ELV Environmental Management Industry Standard (ELV-IS).** The setting of a standard ELV environmental management standard for processing ELV primarily based on the existing National Code
- **Licensing of ELV processors.** A licensing system whereby ELV processors are verified are compliant with the ELV-IS and other relevant provincial and federal environmental laws and regulations as a condition of licensing
 - A phased introduction of licensing in order to minimize market-place impacts and ensure maximum participation
- **Independent market oversight** of the licensing régime. The oversight body will:
 - License all ELV processors wishing to receive ELV for end of life (EOL) management
 - Oversee/ audit processors against the ELV-IS
 - Collate data on ELV reuse and recycling
 - Undertake research to identify opportunities to increase diversion of low value/hard to recycle components
- **Open and competitive markets.**
 - The licensing régime sets the playing field on which ELV processors compete for vehicles.
 - Vehicle manufacturers are free to have individual relationships with licensed processors where they choose to operate their own take-back based incentive programs.
- **Cost internalization.** Cost of oversight/audit and enforcement covered by licensees through licensing fees tiered by ELV throughput
 - The inherent value of the ELV funds oversight
 - No consumer fees on vehicle sales are required
- **Free drop-off of ELV at a licensed processing facility**
- **Accountability.** Collection of reporting data from licensed processors regarding number of ELVs processed and Vehicle Identification Numbers (VIN) terminated
- **Environmental reporting.** Provision of an annual report identifying the number of ELVs processed annually along with a breakdown of materials disposition including:
 - Volumes of materials reused or resold;
 - Volumes of materials diverted for recycling; and
 - Materials disposed by disposal means