



Recycle My Cell Three Year Business Plan 2015 to 2018

Submitted to
Alberta Environment and Sustainable Resource Development

December 1, 2014

Table of Contents

| | |
|---|-----------|
| 1. ACCOUNTABILITY STATEMENT | 2 |
| 2. INTRODUCTION | 2 |
| <i>WHO WE ARE</i> | 2 |
| OUR MANDATE | 2 |
| 3. RECOVERY OF MOBILE DEVICES WITHIN ALBERTA | 3 |
| MATERIAL COVERED BY RMC | 3 |
| CONSUMERS AND RMC | 3 |
| RMC PROGRAM OVERVIEW | 4 |
| 4. STRENGTHENING RMC IN ALBERTA | 4 |
| OBJECTIVE 1: IMPROVE PUBLIC EDUCATION AND AWARENESS | 5 |
| <i>PUBLIC EDUCATION AND AWARENESS TARGETS</i> | 6 |
| OBJECTIVE 2: ENSURE CONTINUED PUBLIC PARTICIPATION AND PROGRAM ACCESSIBILITY | 7 |
| <i>PROGRAM ACCESSIBILITY AND PUBLIC PARTICIPATION TARGETS</i> | 8 |
| OBJECTIVE 3: INCREASE COLLECTION RATES | 9 |
| <i>COLLECTION RATE TARGETS</i> | 10 |
| OBJECTIVE 4: FACILITATE PROPER POST-COLLECTION MANAGEMENT OF MATERIALS | 11 |
| <i>POST-COLLECTION MANAGEMENT OF MATERIALS TARGETS</i> | 12 |
| 5. CONCLUSION | 12 |

1. Accountability Statement

The Recycle My Cell (RMC) Business Plan for the period January 1, 2015 through December 31, 2018 was prepared in accordance with: the Memorandum of Understanding in place between Canadian Wireless Telecommunications Association (CWTA) and Alberta Environment; and the requirements of Section 16 of the *Designated Material Recycling and Management Regulation (Alberta Regulation 93/2004)*, as amended, which was enacted under the Environmental Protection and Enhancement Act.

The Government of Alberta's and Department of Environment's Business Plans and priorities were taken into account in the development of the RMC Business Plan.

In addition, CWTA has also taken into consideration work that is being conducted, and of which it is part, in other jurisdictions so that the best practices that have been identified and implemented are harmonized to the greatest degree possible.

RMC is committed to achieving the objectives laid out in this Business Plan, working cooperatively with other provincial stakeholders.

2. Introduction

Who We Are

The Canadian Wireless Telecommunications Association is the authority on wireless issues, developments and trends in Canada. It represents wireless service providers as well as companies that develop and produce products and services for the industry, including handset and equipment manufacturers, content and application creators and business-to-business service providers.

Recycle My Cell is, a free, national, industry-led, recycling program for mobile devices. The goal of this program is to minimize the number of handsets entering Canada's landfills.

RMC is supported by: Bell (including Aliant, The Source, Solo, and Virgin Mobile), BlackBerry, Eastlink, GEEP Inc., GREENTEC, LG Electronics Canada, Inc., Lynx Mobility, Microsoft, MTS, ProMobility, Rogers Communications (including Rogers Wireless and FIDO), Samsung Electronics Canada Inc., SaskTel, Sony of Canada, TBaytel, TELUS (including TELUS Mobility, MiKE and Koodo), and Videotron.

Our Mandate

CWTA is a wireless industry association with membership from a distinct but varied sector of the telecommunications industry. CWTA receives its mandate from a Board of Directors and puts into action this direction via its committee structure.

In its role, CWTA manages the RMC program on behalf of the wireless industry, acting as a single point of contact for consumers, the provinces, municipalities and other stakeholders. It is also responsible for

any joint administrative requirements such as consumer education and complying with provincial reporting. Specific responsibilities include:

- Liaisons with governments, consumers, and other stakeholders;
- Public education and awareness;
- Regular reporting on approved performance indicators;
- Induction of all interested and obligated brand owners who are not already participating in the program; and
- Maintaining contracts and relationships as required.

Members of the CWTA Recycling Committee act as advisers to the Association on the operation and further development of the program.

RMC operates with no fees charged to consumers purchasing or recycling mobile devices.

CWTA shares the goal of harmonizing rules and regulations across the country with other Stewards operating programs that are multi-provincial or national in scope. Where possible, CWTA has aligned program rules across the provinces to ensure the program works toward achieving the highest standard. Harmonization also ensures that a consistent program is delivered to all Canadians as member brand owners are able to find operational efficiencies that allow them to provide RMC free of charge.

3. Recovery of Mobile Devices within Alberta

Material Covered by RMC

RMC is a cell phone recovery program that deals specifically with mobile devices that were primarily manufactured to connect to a cellular or paging network. Examples of such devices include cellular phones, wireless smartphones, superphones, phablets, wireless PDAs, removable external aircards and pagers.

In addition, accessories such as headsets, chargers and rechargeable cell phone batteries are also recovered by the program.

Recycle My Cell accepts all orphaned, historic and imported mobile devices, as well as mobile devices from non-participating brand owners, when consumers return such product to Recycle My Cell.

Consumers and RMC

Residents of Alberta who visit the bilingual Web site – www.RecycleMyCell.ca and www.Recyclemoncell.ca – can enter their postal code to locate the 10 drop-off locations closest to them where their unwanted mobile devices and accessories will be accepted, regardless of brand or condition. If a consumer is unable to get to a drop-off location, the Web site provides printable postage-paid labels to use for mailing their wireless devices.

The Web site also provides information about the program, facts and figures on e-waste, FAQs and links to other provincial e-waste stewardship programs. There is also a downloadable brochure and

information about how consumers can clear their device of all personal data before dropping it off for recycling.

RMC Program Overview

Recycle My Cell has operated within Alberta since 2009 and was formally recognized in June 2011.

RMC leverages existing programs being operated by wireless service providers and handset manufacturers within the province. Under RMC, brand owners continue to operate their own corporate programs to collect, reuse and recycle mobile devices. Many of these programs were initiated and established well before regulated Extended Producer Responsibility (EPR) e-waste programs were in place in Canada, and have grown to meet changes in the environment.

RMC uses three mechanisms for device recovery:

- Return-to-retail brand owner locations: Consumers can readily return mobile devices at all participating retail stores operated by member brand owners within the province during normal business hours.
- Voluntary third-party locations: Consumers are able to return devices to third-party locations, such as depots, municipal offices, etc. where these locations choose to participate as drop-off locations using the RMC-branded program.
- Mail-back: Consumers are able to mail back unwanted devices, via Canada Post, using postage-paid labels that they download from recyclemycell.ca, when it is not convenient for them to return the devices to a drop-off location.

Using Canada Post ensures that even small and remote communities have access to the service.

Devices that have been collected by participating locations are sent to certified processors for proper handling. Processors typically sort the material into three categories: resalable devices; recyclable devices and accessories; and batteries.

When possible, as is consistent with established recycling and reuse practices of cell phone carriers and manufacturers around the world, damaged products are refurbished, and products that meet specific functionality requirements for resale are reintroduced into the market.

All batteries are sorted by chemistry (i.e., nickel-cadmium, nickel-metal-hydride, lithium-ion, small-sealed-lead, mixed) and are sent to appropriate downstream processors where metals are reclaimed.

4. Strengthening RMC in Alberta

CWTA and its members are committed to the long-term feasibility of Recycle My Cell.

Objective 1: Improve Public Education and Awareness

Based on the 2013 National Cell Phone Recycling Study it was determined that 48% of Albertans knew about cell phone recycling programs in general; of these, 23% knew about programs run by member carriers. When asked, 11% of respondents said they were aware of the RMC brand.

CWTA will utilize the strategies outlined below to help facilitate an increase in consumer awareness.

Event sponsorship: CWTA will continue to sponsor events such as Waste Reduction Week in Canada and the Recycling Council of Alberta's annual conference. Both events attract a diverse audience that is able to help further the objectives of Recycle My Cell.

Grass-roots engagement: CWTA will roll out its *What's in Your Drawers?* Challenge in Alberta to coincide with Earth Day (April 2015). Piloted in Newfoundland and Labrador in 2014, this Challenge engages non-profit and charity organizations and awards \$500 to the group that collects the most devices over a defined period of time.

Media requests: When possible CWTA honours media requests for information and opportunities to discuss the program via interviews. As an authority on the wireless industry, CWTA is best positioned to speak about the positive steps the industry has taken to properly deal with its end of life materials.

News Canada stories for inclusion in newspapers or Web sites: CWTA will continue to use News Canada as a valuable tool for program promotion. News Canada is a paid service that provides articles, free of charge, for use by publications and Web sites. This has shown to be an effective way of including the Recycle My Cell story in community newspapers and on Web sites that often look for content from external sources.

Paid advertising: The majority of CWTA's advertising efforts will continue to focus on alternate advertising methods, such as Google and Facebook ads, which offer a more targeted approach to providing information to those searching for it on-line.

CWTA will run ads in support of province-specific initiatives, such as the *What's in Your Drawers?* Challenge as appropriate.

Press releases highlighting latest developments regarding RMC: CWTA develops and distributes both targeted and national press releases to coincide with activities RMC participates in.

RMC Web site and Toll-free number: Recyclemycell.ca and recyclemoncell.ca will continue to serve as the central hub for the program. The Web site provides:

- information about the RMC recovery program, member programs, current collection sites, and steps to clear personal information from a device before it is recycled; and
- links to the mail-back options that are in place through member programs.

Consumers with additional questions about the program are encouraged to contact RMC representatives via an email address that has been established for this purpose (info@recyclemycell.ca / info@recyclemoncell.ca). Consumers can also speak with a RMC representative via a toll-free phone number (1-888-797-1740).

In addition, participating carrier and manufacturers include information about recycling on their respective Corporate Web sites.

Social Media: CWTA has developed a strategy to engage its current followers more fully by providing useful information about recycling in general, and highlighting the ease and benefit of recycling devices. This strategy will be rolled out over the course of 2015.

In addition, Twitter (@RecycleMonCell) will be used to further promote messages about RMC to followers.

Stakeholder involvement including RMC material on Web sites: CWTA will continue to work with other stewardship organizations, recycling councils and third-parties to ensure relevant information is provided to consumers.

Targeted stakeholder outreach: CWTA will contact key stakeholders (including local government) via an outreach campaign. The intent of this outreach will be to inform/remind stakeholders of the availability of the program and to solicit their participation. Depending on the nature of the stakeholder, the involvement could range from providing promotional information to consumers at the point of sale, including program information on Web sites, or hosting a collection location in their community.

Third-party locations, such as municipal waste depots, not for profit organizations and other parties not affiliated with current RMC members, are encouraged to participate in the program. CWTA provides Promotional materials (including postage-paid mailing labels, brochures, posters, tent cards and banner/button ads) for municipal and other Third-party sites at no cost.

Public Education and Awareness Targets

Target: Achieve an awareness rate as outlined in the table below.

| Year | Cell Phone Recycling Awareness in Alberta | | Recycle My Cell Awareness in Alberta | |
|------|---|--|--------------------------------------|--|
| | Target ⁺ | Awareness Level as determined by consumer survey | Target ⁺ | Awareness Level as determined by consumer survey |
| 2008 | | 49% | | |
| 2009 | | 54% | | 5% |
| 2010 | | 51% | | 10% |
| 2011 | 64% | 54% | 11.50% | 14% |
| 2012 | 68% | 49% | 13% | 16% |
| 2013 | 72% | 48% | 14.50% | 11% |
| 2014 | 76% | | 16% | |
| 2015 | 80% | | 17.50% | |

⁺ CWTA considers the targets noted in the table to be aggressive, but they are in-line with the national awareness targets that have been set for the program. The current National awareness level is 49%. Targets will be revisited in 2015.

- Indicator 1: Percentage of population aware of the program.
- Method to evaluate: Annual survey to gauge consumer awareness and propensity to participate in a mobile device recycling program.
- Indicator 2: Number of visitors to the recyclemycell.ca Web site.
- Method to evaluate: Tracking of number of visitors to the recyclemycell.ca Web site.

CWTA will report on its progress as part of its Annual Report obligation to Alberta Environment and Sustainable Resource Development.

Objective 2: Ensure Continued Public Participation and Program Accessibility

All Alberta residents have access to the RMC program via a permanent drop-off location, or mail-back option.

CWTA and its members support a return-to-retail model for collection drop-off sites. It is felt that the most effective method for cell phone recovery is simply dropping off an existing device(s) when a new one is purchased.

Participating locations that are included in the RMC database collect all devices regardless of make, model or condition in order to provide consumers with the convenience that they seek.

In instances where a drop-off location is not available, RMC will continue to offer mail back options through its member programs which will allow any consumer in the province – with access to Canada Post service – the ability to conveniently and easily return their devices and accessories at no cost.

Return-to-retail partner locations: There are currently 516 drop-off locations across the province of Alberta. Where there is the ability to use a cellular phone there is generally a retailer and therefore a means to recycle it.

CWTA will continue to work with its members to ensure that the list of collection sites noted on recyclemycell.ca is updated on a regular basis to allow consumer access to the most current information available.

Voluntary third-party locations: Recycle My Cell provides an easy and effective method for municipalities, community partners and other organizations to become involved in the recycling effort. Any municipal location, charity organization or corporate/private initiative that wishes to act as a collection site will be able to join the program as a collector.

In addition to program information that will be available on the recyclemycell.ca Web site and Facebook, RMC representatives will reach out to municipalities and those wishing to participate as a drop-off location.

Promotional materials, postage-paid mailing label delivery and box pick-up will be provided to all participants at no cost.

Mail-back option: Recycle My Cell will continue to offer links to a variety of postage-paid mail-back options for anyone currently unable to reach a drop-off location for any reason. The use of Canada Post ensures that even small and remote communities have access to the service.

Program Accessibility and Public Participation Targets

Target: Increase the number of Recycle My Cell drop-off locations by 1% per year from 2012 to 2015.

| Year | Recycle My Cell Drop-off Locations | |
|-------|------------------------------------|------------|
| | Target | Actual |
| 2011 | | 456 |
| 2012* | 461 | 446 |
| 2013* | 465 | 516 |
| 2014* | 470 | |
| 2015* | 475 | |

* Targets for 2012 to 2015 were revised in 2012 to take into account changes to the actual number of drop-off locations in 2011. CWTA has opted to maintain the targets at their current level and will work to bridge the current gap.

- Indicator: Accessibility of drop-off locations measured by the population within a certain proximity to drop-off location, or by the average travel distance to a drop-off depot.
- Method to evaluate: Map to highlight the number of drop-off locations.

Target: 100% customer satisfaction with the Recycle My Cell program.

| Year | Recycle My Cell Consumer Satisfaction* | |
|------|--|---|
| | Target | Satisfaction Level as determined by consumer survey |
| 2011 | 100% | 92% |
| 2012 | 100% | 95% |
| 2013 | 100% | 96% |
| 2014 | 100% | |
| 2015 | 100% | |

* Consumer satisfaction is measured at a national level. Data specific to Alberta is not available.

- Indicator 1: Target community and program partner satisfaction.
- Method to evaluate: Annual survey to gauge consumer awareness and satisfaction as well as the propensity to participate in a mobile device recycling program.
- Indicator 2: Number and nature of complaints.

- Method to evaluate: Keeping logs of calls to toll-free number as well as keeping track of emails sent to info@recyclemycell.ca to determine the number of and nature of complaints received, as well as the number that are resolved/unresolved.

CWTA will report on its progress as part of its Annual Report obligation to Alberta Environment and Sustainable Resource Development.

Objective 3: Increase Collection Rates

The CWTA believes that the strategies outlined in Objective 1 and 2 will help contribute to an increase in the number of phones kept out of Alberta's landfills. CWTA notes, however, that an increase in consumer awareness concerning cell phone recycling does not guarantee that the devices will be recycled through RMC and as such the need to look at the full picture in Alberta becomes increasingly important.

Mobile devices that are not recycled, unlike many other products subject to EPR, do not as a rule end up in landfills. Rather, many consumers designate their previous devices for any number of alternative uses (e.g. Wi-Fi device, camera, MP3 player, media storage, etc.), or they give away or sell their old phone. The increasing value and functionality of new mobile devices increases consumers' options and desire to extend the usefulness of a previous device.

The results of the 2013 National Cell Phone Recycling Study indicate that 42% of Alberta respondents are simply storing their phone; 25% gave away or sold their previous cell phone; 7% of respondents recycled their last phone; and 8% returned their devices to a store or cell phone company. While 7% reported that they threw their old cell phone in the garbage, it is clear that the vast majority of devices are not meeting this fate.

Cell phones are very valuable, even at the end of their life and, in this way, are markedly different from other electronic materials. They are not a waste material and do not follow the collection patterns of waste material.

Cell phone recycling is a lucrative endeavour, often used by for-profit and charitable organizations as a source of revenue. While efforts are made to funnel devices through the Recycle My Cell program the ability of other programs to continue their work is one of the basic tenants of the program.

In order to provide a fuller view of recovery within Alberta CWTA will continue to:

- work with other known organizations (for example, Call2Recycle) within the province, where feasible, to ensure relevant data is reported;
- work to identify other organizations that are large purchasers – big box stores, the provincial government, large utilities – of mobile devices in order to investigate their inclusion in RMC; and
- work with members to identify the various means in which they recover devices. It is important to factor this data into the discussion about cell phone recovery because these devices represent material that has been effectively removed from the “available for collection” pool but without any formal mechanism to account for it. In many cases, programs such as Trade-ins are serving to replace strictly voluntary recycling programs for members and are seen as an effective means by which to recover devices that are more suitable for reuse.

CWTA respectfully submits that recovery programs operating within the province with the government's blessings be supported by the government in their efforts to recover obligated materials. Improved collection is a shared objective.

Collection Rate Targets

Target: Achieve a collection rate as outlined in the table below.

CWTA Available for Collection, Estimated Collection Targets and Collection Rate for Alberta

| Year | CWTA Available for Collection (units) | CWTA Estimated Collection (targets, unit) | Target Collection Rate | Actual Recovery (units) [#] | Actual Collection Rate | RMC Member Internal Initiatives ^{^^} |
|------|---------------------------------------|---|------------------------|--------------------------------------|------------------------|---|
| 2006 | 262,131 | 19,383 | 7% | 19,383 | 7% | |
| 2007 | 293,541 | 35,984 | 12% | 35,984 | 12% | |
| 2008 | 326,961 | 37,926 | 12% | 37,926 | 12% | |
| 2009 | 361,336 | 45,827 | 13% | 45,827 | 13% | |
| 2010 | 393,650 | 59,048 | 15% | 34,795 | 9% | 27,025 |
| 2011 | 424,199 | 80,598 | 19% | 30,958 | 7% | 82,621 |
| 2012 | 453,370 | 108,809 | 24% | 60,231 | 13% | 102,226 |
| 2013 | 481,023 | 134,686 | 28% | 82,761 | 17% ¹ | 56,775 |
| 2014 | 509,884 | 168,262 | 33% | | | |
| 2015 | 540,477 | 199,976 | 37% | | | |

* For years 2006, 2007 and 2008, the CWTA Estimated Collection figure is based on actual national collection data; the resulting Alberta figures for each year are an estimate of the amount collected in Alberta based on Alberta's percentage of the national population.

** 2009 was the first year collections were reported by province instead of an estimate.

***Churn input into the LCM for 2010, 2011, 2012 and 2013 has been estimated, using a 6% growth rate year over year, in order to allow for the development of a full data set for the years 2012, 2013, 2014 and 2015.

[#]Actual Recovery represents the amount, in units, of cell phones collected each year through drop-off locations, the mail back option, trade-in programs (where applicable) and the RMC Waste Reduction Week Student Challenge.

^{^^}CWTA, with its members, has devoted a substantial amount of time investigating how to incorporate data regarding other diversion methods employed internally for devices that are returned to members by other means.

- Indicator 1: Absolute collection
- Method to evaluate: Devices collected on an aggregate provincial basis. This data will consist of two elements: the amount of material that is collected through a physical collection site and an estimate of the material that is collected through the mail-back option.

¹ A review of collection/ recovery rates in other North American jurisdictions shows the following: the Environmental Protection Agency notes a recycling rate of 8% for the US as a whole in 2009; more recent data is not available. In California the recovery/collection rate, as reported for 2012, is estimated at 13%. Maine and New York State also have a regulation covering cell phones but do not report on collections.

- Indicator 2: Per capita breakdown of Aggregate Total of devices collected.
- Method to evaluate: Absolute collection can be further broken down to a per capita amount (percentage of product that has been collected relative to the size of the target community).

CWTA will report on its progress as part of its Annual Report obligation to Alberta Environment and Sustainable Resource Development.

Objective 4: Facilitate Proper Post-collection Management of Materials

Management of Material

At the most basic level, all phones that are collected by the program are diverted from landfill whether through reuse or recycling.

When possible, as is consistent with established recycling and reuse practices of cell phone carriers and manufacturers around the world, damaged products are refurbished, and products that meet defined functionality requirements for resale are reintroduced into the market. Those that are not suitable for reuse are sent to approved downstream processors where they are either disassembled for harvesting spare parts or ground down for the recovery of precious metals.

While it is understood that reuse is preferable over recycling, whether a phone can be reused is dependent on numerous factors. Because of the thriving second hand market and the profitability in reselling devices, phones are reused whenever possible. However, it should be understood that phones that meet the criteria for refurbishment from a physical perspective (i.e. can power on, etc.) may not meet the criteria for marketability in that the handset technology is no longer seen as desirable by consumers, or the network technology is no longer supported. To reintroduce phones into the market purely to meet a defined volume target will prove to be harmful.

It is also important to note that CWTA is currently developing a process to report on the management of collected material as part of its Non-financial Information audit requirement in BC. This work is nearing completion and will be undertaken as part of the audit in the coming year. CWTA will share the results of this endeavour with the ministry.

Processor Certifications

Brand owners participating in the program use certified third-party processors to manage their materials. The business relationship is directly between the brand owner and the processor.

Material recovered through member programs in BC is responsibly managed by GEEP Inc., GREENTEC, and ProMobility facilities located in Ontario. The nature of a wireless device, as well as the mechanisms by which they are collected across Canada, allows for the transfer of material to a central facility where it can be responsibly and economically managed.

All of the processors involved with the RMC program hold valid ISO certifications and/or are verified to the Recycler Qualification Office's Electronic Recycling Standards (ERS) meaning they have an environmental management system in place, which ensures accountability and knowledge of the associated environmental impacts.

All members of the recovery chain – from carrier to processor – have a vested interest in ensuring proper processes are followed at all times.

Post-collection Management of Materials Targets

Target: Reuse: Maintain the current diversion level from landfill of 100% for products that meet reuse criteria.

- Indicator: Post-collection fate of material.
- Method to evaluate: Figures provided from recyclers concerning the allocation of RMC recovered devices that were reused, recycled, recovered as energy and land-filled as defined in the pollution prevention hierarchy.

Target: Recycle: Maintain the current level of recycling, reclamation and recovery for wireless products entering the recycling process.

- Indicator: Post-collection fate of material.
- Method to evaluate: Figures provided from recyclers concerning the allocation of RMC recovered devices that were recycled.²

Target: Ensure that certifications held by processors associated with RMC are valid and align with identified provincial requirements.

- Indicator: Valid certifications of processors.
- Method to evaluate: Copies of valid ISO certifications to show compliance with applicable regulations.
- Method to evaluate: Web site listings for provincial programs that use same processors as RMC to show compliance with program certification.

CWTA will report on its progress as part of its Annual Report obligation to Alberta Environment and Sustainable Resource Development.

5. Conclusion

CWTA and its members are committed to providing residents of Alberta with a free, convenient and accessible method to dispose of their unwanted wireless devices and accessories. Working together – with Albertans, Alberta Environment and Sustainable Resource Development and other stakeholders – will ensure that the objectives outlined in this plan are achieved.

² CWTA is currently working on determining how to more effectively report on the post-collection management of materials so that the amount reused, recycled, recovered as energy and land-filled is better defined and understood.