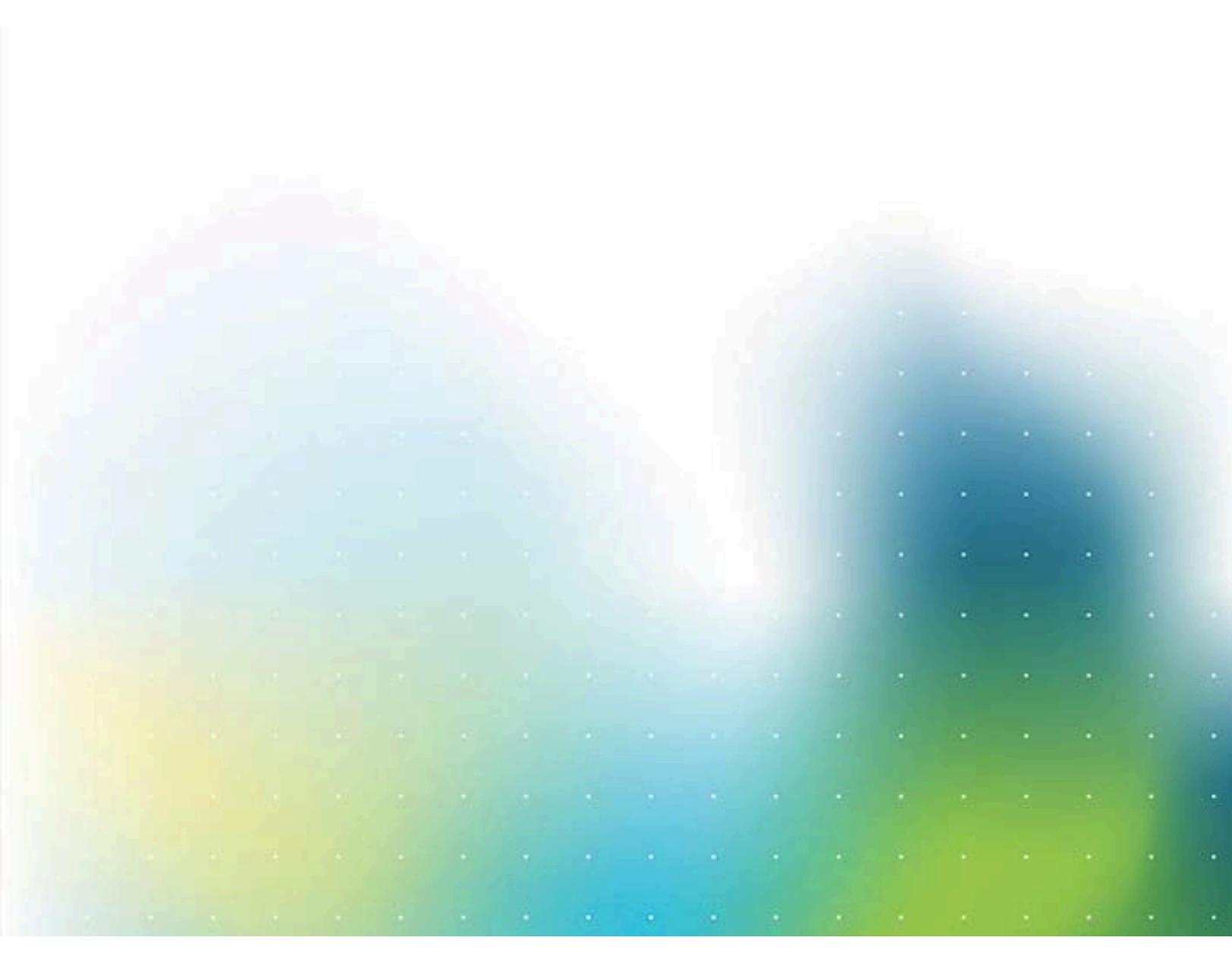




**EPR UPDATES:  
CANADA, USA & EUROPE**

**SUMMER 2015 | VOL. 2 ISSUE 2**





## INTRODUCTION

Welcome to our PAC NEXT 2nd quarter 2015 Printed Paper and Packaging Extended Producer Responsibility (EPR) report. I hope that you find these global updates useful and we welcome your feedback and comments. To begin with, I'm delighted to be able to introduce Heidi Sanborn (California Product Stewardship Council) and Matt Prendville (Upstream) as our guest columnists to share their perspective on EPR for packaging in the USA. Today there are 4 US states exploring EPR for packaging (California, Rhode Island, Maine, Vermont) and certainly noteworthy at the moment is CalRecycle asking industry to provide proposals for a Manufacturers Challenge to reduce packaging disposal by 50% by 2020 (read more below). As mentioned in our previous quarterly the private-public partnership programs continue to gain momentum in the USA and is boosted by the recent Recycling Partnership announcement that East Lansing, Michigan is their next city partner <http://recyclingpartnership.org/news/>

When it comes to Canada there continues to be considerable angst around what it will take to achieve recovery and recycling rates above 75% and to break out of the current cycle of increasing costs (Ontario just announced stewardship fees of \$114million for 2015) and stagnant recovery rates. Many of us are looking to what transpires in British Columbia and it's full EPR program (funded, designed and operated by industry through MMBC) to hopefully become a benchmark to follow - early days yet with this program just over a year old!! In the meantime, discussion also continues on how we can create scale and efficiencies across Canada through a harmonized approach to waste reduction and elimination. As such, PAC NEXT was a co-host with the National Zero Waste Council (NZWC) and the City of Toronto for a roundtable on this specific topic. There were 35 invited guests (municipalities, retailers, brand owners, waste management, small business, NGO's) to discuss emergent issues in waste reduction and prevention and strategies to enhance collaboration and engagement between industry stakeholders and government. Issues discussed included the important areas of product design and packaging, food waste and the circular economy. The attendees were asked to consider three key questions:

1. When thinking about supply chains and waste in the system, where are the greatest opportunities for waste prevention nationally?
2. How might harmonized approaches to waste prevention and reduction assist? What would harmonization look like?
3. What are the next steps for improving collaboration and taking advantage of opportunities to work together?

As you can imagine this created a lively debate and importantly represents an important step to take our stakeholders beyond cooperation to proactive collaboration that can deliver tangible actions and results that have a national impact.

In Europe, you'll read that the EU is reviewing how the circular economy and full life cycle thinking can intersect with the packaging waste directive to create greater opportunities to recover and re-use more materials more effectively. And, this is ultimately the crux of things. Slowly but surely governments, municipalities and consumers are starting to understand the valuable role that packaging plays in

protecting, promoting and preserving products. Hence, mandated or voluntary EPR programs must be seen as an opportunity not only for cooperation but for pragmatic collaboration amongst stakeholders (government, manufacturers, brand owners, waste management / processors) to deliver sensible, scalable, harmonized solutions that create value across our communities, businesses and the environment.

Happy reading,

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## FEATURE COLUMN

# THE EVOLUTION OF EPR FOR PACKAGING IN THE US



Matt Prindiville, [\*UPSTREAM\*](#) & Heidi Sanborn, [\*California Product Stewardship Council\*](#)

The debates around extended producer responsibility for packaging have been raging in the US for nearly four years now. While there has been significant opposition from most affected consumer brands, there has been growing support from local governments, and an openness from some waste and recycling businesses to discuss it.

There have also been signs of a change in position from some consumer brands, at least to the general concept. 2014 was the year that Corporate America finally got its wake-up call on recycling with the announcement of voluntary product stewardship efforts like [Walmart's Closed Loop Fund and the Recycling Partnership](#). These new developments are changing the terms of the debate and the policy framework in a number of states with mature EPR discussions. Here's why:

Everyone – from city recycling coordinators to packaging suppliers to even the most cynical representatives from consumer brands – wants to boost packaging recycling. It's embarrassing that our country tosses over half of all generated packaging materials into the garbage.

The good news is that we know what how to do this. Numerous reports have been issued from the top recycling research firms showing that a variety of policy tools, including - universal cart-based curbside recycling, statewide Pay-As-You-Throw, landfill bans on recyclable materials, away-from-home recycling infrastructure, robust outreach and education, financial incentives like container deposits, and investments in materials recovery facilities (or MRFs- where recyclables are sorted into saleable commodities), etc. - can all dramatically increase recycling and prevent litter, especially if they are pursued together.

The bad news is that many of these ideas cost money. In addition, with the exception of a few commodities like aluminum, nearly all other packaging materials cost more to collect than you get from selling the scrap. The bottom line is that increasing recycling requires that someone picks up the tab.

Most local governments are too cash strapped to invest in recycling. Funding for recycling and litter cleanup competes with funding needs for police and fire protection, schools and other essential municipal services. On the business side, the waste management and recycling companies will only invest in recycling infrastructure if it will clearly improve their bottom line.

Given these on-the-ground realities, recycling and sustainable materials management advocates are looking to EPR as a way to get the consumer goods companies – that put packaging into the marketplace – to pay their fair share for managing it. Of course, the devil is in the details, and the challenge has been wrestling through much of the baggage wrapped up in preconceived notions about what EPR is, and what it means for the interests of affected stakeholders including control of the existing infrastructure.

In the end, it all comes down to money and control. Most of the stakeholders in the recycling supply chain – local governments, collectors, processors and end-users (including many packaging suppliers) – want the increased investment – that would come from producer fees – to optimize the recycling systems where they operate. However, over the last four years, much of the US discussions and subsequent controversy focused on a 100% producer-financed and controlled recycling system and the massive power-shift inherent in this approach. Many would not consider this shift without ensuring the existing infrastructure investments are protected.

While there are pluses and minuses to this approach, it is clear that local governments and waste and recycling industries want the investment, but not the total loss of control.

To that end, a shared responsibility approach – which balances the investment from producer fees on packaging and taxpayer and/or garbage ratepayer funding, with shared control among key stakeholders toward achieving robust recycling and litter prevention goals – may be the key to making EPR work politically in the United States. Stay tuned!

## CANADIAN NEWS

### **Burns Lake and Terrace join MMBC**

In the past few months, Burns Lake and Terrace have joined Multi-Material BC's ([MMBC](#)) network of nearly 200 depots. Burns Lake area residents can take their packaging and printed paper recyclables to Burns Lake Return-It Recycling Depot, located at 113 Park Street in Burns Lake, while Terrace area residents can visit Do Your Part Recycling, at 3220 River Drive. Both facilities accept [all materials](#) in MMBC's residential packaging and printed paper recycling program. Since 2014, MMBC has continued to make it easier for residents to recycle by assuming responsibility for curbside, multi-family, and depot recycling programs in many areas across BC as a result of changes made to the provincial *Recycling Regulation* to shift responsibility for end-of-life management of packaging and printed paper from governments and their taxpayers to the businesses that produce these materials.

This spring/summer MMBC will also be undertaking streetscape, curbside and multi-family waste composition studies.

### **Alberta's Recycling Regulatory Amendments Underway**

In October 2014, the Government of [Alberta](#) announced development of a new recycling regulation that will include regulatory amendments to existing recycling programs. The proposed changes are intended to streamline Alberta's regulatory framework; provide options to shift end-of-life management responsibilities from taxpayers to producers and consumers; and reduce municipal solid waste in Alberta. The regulatory amendments will consolidate existing recycling regulations; develop environmental fee-setting criteria; expand Alberta's existing electronics recycling program; and expand Alberta's existing used oil materials recycling program. Work is underway on a regulatory package for decision makers' review.

For more details on this and on the results of the 2013 consultation on proposed changes to Alberta's recycling regulatory framework, see [here](#).

### **Nova Scotia's Solid Waste Regulation Amendments Due Later this Year**

[Nova Scotia Environment](#) has conducted public consultations on proposed changes to the provincial solid waste regulations. The current strategy has not been updated in nearly two decades and future changes will be phased in. The [proposed changes](#) will be in seven key areas of interest including product stewardship; improved enforceability of the solid waste regulation; and clarity on the rules for energy from waste. These changes are required to keep the programs efficient and sustainable, to provide a high level of environmental protection, and to create economic opportunities. A summary of the feedback received through consultation can be read [here](#).

### **TVOntario's Feature on Solid Waste**

TVOntario's (TVO) "[The Agenda](#)" program of June 4 included a two-part feature on solid waste. The [first part](#) focuses on what is and isn't recyclable and where waste ends up, featuring two municipal representatives. The [second part](#) focuses on waste issues and possible solutions, featuring a panel with Dan Hoornweg a Waste Diversion Ontario (WDO) Board Member.



### WDO Decision on 2015 Blue Box Funding



Earlier this year, the Municipal Industry Program Committee (MIPC), which oversees the Blue Box Program, advised WDO that it was unable to reach an agreement on the amount of industry funding to be provided to Ontario municipalities for their 2015 Blue Box programs. On June 17<sup>th</sup> WDO determined a total amount for funding based on the same methodology used by an arbitrator used to determine the 2014 Blue Box steward obligation. The total amount provided to Ontario municipalities operating a Blue Box program will be \$114,600,548, paid in four installments over the year. Directed by the WDO Board, Stewardship Ontario will begin paying the funding around July 1<sup>st</sup>, 2015. More information can be found [here](#).

### ÉEQ Celebrates 10<sup>th</sup> Anniversary of RECYC-QUÉBEC Certification

Éco Entreprises Québec (ÉEQ) held its Annual General Assembly on April 24, 2015, and celebrated the 10<sup>th</sup> anniversary of its certification by RECYC-QUÉBEC as the organization responsible for establishing fees and collecting increasing contributions from companies that put containers, packaging and printed matter on Quebec's market. Since the 2013 *Schedule of Contributions* came into force, those 3,000 companies compensate 100% of the net costs of municipal curbside recycling programs in Quebec, to the tune of \$135 million each year. Beyond that significant financial compensation, ÉEQ and its main partners also contribute to curbside recycling optimization. More information including the 2014-2015 Board of Directors can be found [here](#).

### Automated Waste Collection and Incentive Tariff Coming to Beaconsfield

The City of Beaconsfield, Quebec is addressing waste reduction by introducing residential [automated collection system](#) and an incentive tariff beginning in 2016. New garbage bins equipped with RFID transponders linked to the civic address allow the size of bin and frequency of collections to be automatically registered based on how residents use the service. This program uses the “pay as you throw” principle and creates individual efforts and actions to reduce waste sent to landfills.

### Éco Entreprises Quebec Invests in Recycling Glass

ÉEQ will invest \$40 million over five years to equip sorting centres with technologies that process all types of glass sent for recycling. This [investment](#) will give glass a second life as a result of measures to stimulate the development of products made with recycled glass. This plan increases the variety of market outlets for glass and ensures sufficient supplies of recycled glass exist that meet industry standards and the demand for the material in Quebec's market.



### Saskatchewan PPP Program Still in Limbo?

Apparently, still no new news in Saskatchewan and the impasse between Government and [MMSW](#) over changes to exemptions and capped fees.

## U.S. NEWS – RHODE ISLAND, NEW YORK & CALIFORNIA

No U.S. state has currently implemented a comprehensive EPR system for printed paper and packaging (PPP). However, there are EPR programs in numerous states for end-of-life management of products such as electronics, batteries, mattresses and paint.

### **Rhode Island Mulls EPR for Packaging**

Rhode Island lawmakers introduced two bills to suggest the possibility of the state utilizing an EPR program:

[House Bill 5508](#) (HB 5508), introduced on Feb. 12, calls on packaging producers to develop a plan to fund the recycling of at least 80 percent of packaging sold in the state by 2020. Furthermore, [House Bill 5673](#) (HB 5673), introduced on Feb. 26, calls on various stakeholders within the state to assess the management of "existing and future EPR and/or product stewardship programs."

Rhode Island's HB 5508 has been referred to the House Finance Committee, and HB 5673 has been sent to the House Environment and Natural Resources Committee.

Read more: <http://resource-recycling.com/node/5835>

### **New York State Proposes Bill to Reduce Packaging Waste**

A bill introduced in New York would require all packaging sold in the state to meet certain standards for reduction, reusability, recycled content, or recyclability after January 1, 2018, specifically:

- **Reduced:** packaging weight must either be reduced at least 15% compared to the package used for the same product five years earlier, or meet a minimum 90%/10% product to packaging ratio.
- **Reusable:** packaging designed for refilling or reuse must be able to be refilled or reused a minimum of five times in a program established by a manufacturer, distributor or retailer.
- **Recycled:** a package made with secondary material content must, within five years after January 1, 2018, have a minimum of 45% post-consumer content by weight.
- **Recyclable:** a package must meet one of the following standards: a) 75% of the state's population must have access to a municipal recovery program for the material; b) there must be a statewide recycling rate of 50% for the material; or c) a manufacturer, distributor, or retailer must achieve a statewide recycling rate of 50% for the package. Packaging used for food, drugs, cosmetics, and medical devices would be exempt.

Refer to EPI link [here](#). For more information: <http://www.dec.ny.gov>

### **California Proposes Voluntary Manufacturers Challenge – 50% Packaging Disposal Reduction by 2020**

California has a statewide policy goal of not less than 75% of solid waste generated be source reduced, recycled, or composted by the year 2020. CalRecycle estimates that packaging represents about 1/4<sup>th</sup> of the state's disposal stream and therefore its reduction and / or recovery play an important role in helping to achieve this goal.

The Manufacturer's Challenge is a voluntary opportunity for product manufacturers and brand owners whose packaging contributes to the disposal stream to present CalRecycle and the stakeholders of California with its ideas and proposals to meet a goal of 50% reduction in packaging disposed in California by 2020. A workshop is scheduled for September 2015 for initial proposals to be shared!

More details here: <http://www.calrecycle.ca.gov/Actions/PublicNoticeDetail.aspx?id=1466&aiid=1335>

## **EPR Lobbyists Active in California**

Read viewpoints that support producer responsibility from the keynote address to the Maine Resource Recovery Association's annual meeting on April 28, 2015:

<http://upstreampolicy.org/7-reasons-why-we-need-producer-responsibility-for-product-waste/>

## **INTERNATIONAL NEWS**

### **Canada Learns from the EU**

In November, the Canadian Stewardship Services Alliance (CSSA) hosted a one day summit *'What can Canadian Provinces Learn from the EU About the Role of Producers and Compliance Schemes in Competitive Marketplaces for Extended Producer Responsibility?'* The summit provided an opportunity for key people in the producer, recycling, EPR, and regulatory communities to discuss what can be learned from the EU experience in operating EPR programs.

Presenters from UK, Austria, Germany and Belgium shared their experience and knowledge with attendees on:

- How EPR schemes in the EU operate, and what a competitive marketplace for EPR looks like in Europe
- How and whether competition drives public policy outcomes
- What the future might hold for EPR schemes in Canada
- How best to create legislative frameworks that level the playing field for competitive schemes
- Insights into some of the longest and most successful EPR programs operating globally

To view the presentations from this summit, including Valpak, DerGrünePunkt, click [here](#).

For more information, read the article in the Stewardship Gazette [here](#).

Source: <http://www.cssalliance.ca/portal/cssa-eu-summit-2>

### **EU revisits plans for Circular Economy**

Work is underway in the European Commission to present a revised Circular Economy package by end 2015. As it withdrew the original package published in July 2014 by the former European Commission, the new European Commission promised to come forward with a "more ambitious" and broader package, addressing the "whole circle" of the Circular Economy and not only focused on waste aspects like the 2014 package. Find out more: [http://www.europen-](http://www.europen-packaging.eu/component/ccnewsletter/?view=detail&id=52&sbid=211&tmpl=newsletter)

[packaging.eu/component/ccnewsletter/?view=detail&id=52&sbid=211&tmpl=newsletter](http://www.europen-packaging.eu/component/ccnewsletter/?view=detail&id=52&sbid=211&tmpl=newsletter)

### **India Plans Ban on Non-Biodegradable Plastic Packaging**

The Indian government has introduced draft Plastic Waste management and handling legislation, that when implemented before the end of 2015, will ban all non-compostable or biodegradable plastic packaging.

The legislation, which is currently before the National Green Tribunal - the judicial body set up by Central Government for effective and speedy handling of legal cases relating to environmental protection - is aimed at improving plastic waste management systems.

Continue reading article here: <http://packwebasia.com/sustainable-packaging/environmental-legislation/3770-india-plans-total-ban-on-non-biodegradable-plastic-packaging>

## HELPFUL LINKS

BC

<http://multimaterialbc.ca/notices-archive>

Alberta

<http://esrd.alberta.ca/waste/>

<https://www.recycle.ab.ca/public-policy>

Saskatchewan

<http://www.mmsk.ca/notices-alerts>

Manitoba

<http://stewardshipmanitoba.org/mmsm/whats-new/>

Ontario

<http://www.stewardshipontario.ca/latest-news/>

<http://www.wdo.ca/news/>

<https://www.rco.on.ca/wra-overview--timeline>

Quebec

<http://www.ecoentreprises.qc.ca/news-and-events>

Nova Scotia

<http://www.novascotia.ca/nse/waste/>

Canadian Stewardship Services Alliance

<http://www.cssalliance.ca/latest-news>

U.S.

<http://www.epa.gov/solidwaste/nonhaz/municipal/msw99.htm>

Europe

[http://ec.europa.eu/environment/waste/target\\_review.htm](http://ec.europa.eu/environment/waste/target_review.htm)

<http://www.europen-packaging.eu/downloads/1608.html>

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**Disclaimer**

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