

EPR UPDATES: CANADA, USA & EUROPE

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INTRODUCTION



Welcome to the third PAC NEXT quarterly Extended Producer Responsibility (EPR) report for 2016. While there are few major news items for Canada in this quarter, the key activities as it relates to policy and EPR come from Europe.

First, the debate over voluntary versus mandatory EPR is ongoing in California as CalRecycle continues to push for EPR policy. Should CalRecycle move forward with

their recommendations (albeit with much pushback from the packaging industry), California would become the first U.S. state with EPR law for packaging.

In Europe, the European Parliament issued a briefing in September of the 'circular economy package' which consists of four legislative proposals on waste to amend previous acts including the Waste Framework Directive, Landfill Directive and Packaging Directive. The European Parliament's Committee for Environment, Public Health and Food Safety (ENVI) and the Committee for Industry, Research and Energy (ITRE) have been drawing up opinion on the proposals where votes in the ITRE and ENVI committees are expected in October and November of this year respectively.

Of course, ongoing discussion surrounds the *Waste-Free Ontario Act* as stakeholders try to understand how the new policy will impact their organization. As such, we are pleased to feature Glenda Gies, an industry expert involved in designing and delivering waste diversion programs for more than thirty years, as our guest columnist for this quarter.

I hope that you find this quarterly policy and EPR update informative and useful.

Rachel Morier
PAC, Packaging Consortium

FEATURE COLUMN



From shared responsibility for diversion of packaging to full producer responsibility for packaging in a circular economy

Glenda Gies, Principal, Glenda Gies & Associates Inc.

Extended producer responsibility (EPR) is driving a shift from a linear take-make-waste economy for packaging to a circular economy where packaging moves in a closed loop for reuse and recycling.

In 2014, in response to EPR requirements in BC, Multi-Material BC (MMBC) established a comprehensive, province-wide reverse supply-chain for recovering packaging from 1.3 million households and recycling 85% of the packaging collected. This system includes 165 regional districts, lower tier municipalities, First Nations, private companies and not-for profit organizations to collect packaging which is then received and processed by a consortium of over 40 companies, municipalities and not-for-profit organizations.

Ontario recently passed the *Waste-Free Ontario Act (WFOA)* which will move the province from a shared responsibility model – where municipalities collect and manage packaging under Regulation 101/94 and producers fund a portion of municipal costs under the *Waste Diversion Act* – to full producer responsibility where producers will specify and operate the packaging reverse supply-chain.

But there are challenges ahead. Shifting from municipal responsibility to full producer responsibility must be carefully planned, with clearly defined and predictably scheduled steps that:

- Ensure uninterrupted collection services for Ontario residents;
- Avoid disruption of existing municipal contracts;
- Create a planning horizon that allows informed management of municipal and private sector capital assets; and
- Afford producers with self-determinacy in line with their increased responsibility.

More than 95% of the 885,000 tonnes of Ontario residential blue box waste recovered in 2014 was managed by companies under contract to municipalities to provide collection or processing services (including operation of municipally-owned sorting facilities). If producers were to assume responsibility as these contracts expire, transition would be predictably phased and wholesale, abrupt and disruptive change would be avoided. Moreover, the predictable phasing associated with contract expiry schedules would allow municipalities to plan for transition, private companies to plan their investments and obligated producers to redesign how PPP will be collected and managed following transition.

Ontario's new law provides a means to manage this fundamental change in roles and responsibilities while minimizing risk and uncertainty. All that remains is the will for municipalities and producers to agree to move forward to build a circular economy for packaging in Ontario.

CANADIAN NEWS

CSSA's 2016 Annual Steward Meeting Date Announced – Oct. 26

CSSA's Annual Steward Meeting (ASM) will be held on **Wednesday**, **October 26**, **2016**, in Toronto (at the International Plaza Hotel, 655 Dixon Road). The event is held on behalf of their partner stewardship programs, for keeping stewards informed about packaging and paper recycling programs and fees.

The event will cover:

- **Program Reviews and Fee Previews:** Detailed program and financial performance reviews for Stewardship Ontario, MMSM, MMSW and MMBC will include information on 2017 budgets and fees.
- **Fee Methodology:** An update on the new way of calculating fees will summarize progress to date and upcoming related projects (see CSSA's **Fact Sheet** for a summary of the new methodology).
- *Material Specific Costs:* Some materials cost more to collect and process than others. Understanding the primary drivers of these cost differences and how they are currently determined will be the focus of a special presentation.
- Click <u>here</u> to register to attend in-person or via webcast

Waste Reduction Week in Canada: Oct. 17 - 23, 2016



Waste Reduction Week in Canada is a national environmental campaign that builds awareness around issues of sustainable and responsible consumption, encourages choice for more environmentally responsible products/services, and promotes actions that divert more waste from disposal and conserve natural resources.

The program's educational resources and "take action" messaging empower all Canadians to adopt more environmentally conscious choices. To learn more: http://www.wrwcanada.com/

U.S. News

California lawmakers advance of pair of plastics-recycling bills

The California legislature passed a bill requiring beverage companies to publically report the amount of post-consumer PET they use, and a separate piece of legislation sent to the governor extends a plastics-recycling subsidy programs for one year.

Source: http://resource-recycling.com/node/7889

CalRecycle Pushes Extended Producer Responsibility to Reduce Packaging Waste

California waste management officials are recommending a "mandatory comprehensive, statewide packaging program" to reduce the amount of packaging that ends up in landfills — 8 million tons annually, or about a quarter of California's total waste stream. The debate over voluntary versus mandatory EPR is ongoing, with manufacturing generally preferring voluntary programs while recycling advocates says EPR laws work best in the long run.

Source: http://www.environmentalleader.com/2016/09/15/calrecycle-pushes-extended-producer-responsibility-to-reduce-packaging-waste/

Rhode Island's Bill Signed Into Law to Reduce Solid Waste

Rhode Island signed bill SB 3024 into law on July 12th which declares state goal to reduce solid waste by 50 percent through diversion, source reduction, re-use, recycling or composting by 2025. *Source*: http://openstates.org/ri/bills/2016/SB3024/

INTERNATIONAL NEWS

Europe's Circular Economy Package: Four Legislative Proposals on Waste

As part of the shift towards the circular economy, the European Commission made four legislative proposals introducing new waste-management targets regarding reuse, recycling and landfilling, strengthening provision on waste prevention and EPR, reporting obligations and calculation methods for targets. The proposals for the Directive of the European Parliament and of the Council are as follows:

- Amending Directive 2008/98/EC on waste
- Amending Directive 1999/31/EC on the landfill of waste
- Amending Directive 94/62/EC on packaging and packaging waste
- Amending Directives 2000/53/EC on end-of-life vehices, 2006/66/EC on batteries and accumulators and waste batteries and accumulators, and 2012/19/EU on waste electrical and electronic equipment

Source:

 $\underline{http://www.europarl.europa.eu/RegData/etudes/BRIE/2016/589797/EPRS_BRI(2016)589797_EN.pdf}$

Circular Economy Package: Parliament report and EUROCITIES response

EUROCITIES, Municipal Waste Europe (MWE), and the Council of European Municipalities and Regions (CEMR) welcome the European Commission's Circular Economy Package and their approach. They will respond individually to the reports but are united in calling for the following to be set out in the final adopted revised directives:

- A broad definition of municipal waste at European level, without a restrictive quantity criterion, allowing member states to choose how to implement their national waste policies in their territories

- The partnership and coordination between producers and local authorities entailed in the Extended Producer Responsibility schemes needs to be clear, transparent and well balanced in order to ensure full and correct implementation of the directive's requirements and the ability to achieve recycling targets.
- Municipal waste accounts only for 5-10% of the total amount of waste generated in the EU, therefore it is also important that the legislators address waste more widely by progressively targeting other sectors.
- Increase the availability of funding for local authorities and cities to support the implementation of the directive's new requirements which lead to the creation of a circular economy.
- The creation of knowledge platforms on key priority areas to promote and enable the active exchange of best practice between key stakeholders including local authorities and cities to ensure a fast transition towards strong circular economy for the EU.
- Waste prevention measures both in terms of common requirements and best practice sharing.

Sources:

http://www.eurocities.eu/eurocities/news/Circular-Economy-Package-Parliament-report-EUROCITIES-response-WSPO-AC2QL8

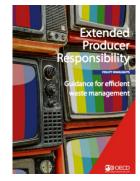
http://nws.eurocities.eu/MediaShell/media/Joint%20statement%20on%20Waste%20and%20landfill%20review%20-%20EUROCITIES%20MWE%20CEMR.pdf

http://www.consilium.europa.eu/en/press/press-releases/2016/06/20-envi-conclusions-circular-economy/

OECD Extended Producer Responsibility Policy Highlights

The OECD defines EPR as an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle. OCED outlines the key improvements for EPR which includes design and governance of EPR, promoting the integration of competition policy and EPR, incentivising for design for environment, and integrating informal workers in EPRs in emerging and developing countries

Source: http://www.oecd.org/environment/waste/Extended-producer-responsibility-Policy-Highlights-2016-web.pdf



France bans disposable plastic tableware

The French government ruled to ban disposable plastic plates, cutlery and cups on Sept. 1. French ministers have stated that 50 percent of the material going in to plastic disposable items such as goblets, coffee cups, plates and cutlery must be organic by 2020. Furthermore, the government says 60 percent of the material must be organic by 2025.

Critics of this legislation goes include Pack2Go Europe, an non-governmental organization headquartered in Belgium.

Source: http://www.plasticsnews.com/article/20160914/NEWS/309159999/france-bans-disposable-plastic-tableware

Paper & packaging industry to submit waste management plans in South Africa

Minister of Environmental Affairs' notice of intention to publish the Notice to the Paper and Packaging Industry, Electrical and Electronic Industry and Lighting Industry to prepare and submit to the Minister industry waste management plans for approval read with section 28(5) of the National Environmental Management Waste Act, 2008.

Source: http://www.gov.za/sites/www.gov.za/files/40270 gon1011.pdf

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/

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

Ouebec

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.

https://www.epa.gov/smm/advancing-

sustainable-materials-management-facts-and-

figures-report

Europe

http://ec.europa.eu/environment/waste/target_re

view.htm

http://www.europen-

packaging.eu/downloads/1608.html

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