

Consultation Report on Revised Packaging and Paper Product Extended Producer Responsibility Plan

October, 2018



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Part 1: Introduction to Consultation and Engagement Approach

1.1 Regulatory Context

Section 6 of the <u>BC Recycling Regulation</u> requires that every five years Recycle BC review its approved program plan and submit proposed amendments to the BC government for review and approval. An important part of the review of the program plan is stakeholder consultation to ensure there is a clear and transparent process for engaging stakeholders in the review process. The <u>Recycling Regulation</u> <u>Guide</u> provides direction on the essential components of a stakeholder engagement and consultation process followed by Recycle BC, as outlined below.

1.2 Report Purpose and Overview of Consultation Process

1.2.1 Consultation Report Purpose

The purpose of this consultation report is to describe the process undertaken by Recycle BC to consult with key stakeholders on the revised program plan; summarize the feedback received from stakeholders; and demonstrate how the feedback was considered in finalizing the program plan. The <u>Submission Checklist for Product Stewardship Plans Under the Recycling Regulation</u> provides a detailed guidance on what should be included in a consultation report and has been referenced in the preparation of this report:

- A summary of what was heard through the consultation process and how the plan will or will not address these comments or issues;
- When and where the consultation meetings/webinars were held, the number of people that attended and the sectors represented at the meetings;
- How Recycle BC engaged a cross-section of identified stakeholders;
- The materials shared with stakeholders allowing them to easily identify the implication of the plan to their interests and organizations; and
- How Recycle BC provided effective and timely notice of consultation opportunities and the amount of time provided for stakeholders to respond to the draft program plan.

1.2.2 Overview of Consultation Process

Recycle BC undertook a thorough consultation with stakeholders on the revised program plan in line with the requirements for consultation in the Recycling Regulation 5 (1)(b) and in the <u>Recycling</u> <u>Regulation Guide</u>. In accordance with these documents, the stakeholder consultation process was designed to achieve the following:

- Engagement of a full cross-section of stakeholder groups, including: industry affected by or with an interest in the operation of the stewardship plan (retailers, service providers, brand-owners), local government representatives, public interest groups, members of the public and/or consumers that will make use of the stewardship program;
- Effective and timely notification of consultation opportunities;
- Distribution of materials that would allow stakeholders to determine the implications of the updated program plan to their interests and organizations;
- Provide adequate time for stakeholders to respond to draft documents; and
- Provide a consultation report available for public review that documents the consultation process and outlines how stakeholder input was addressed in the program plan.



Consultation occurred in two phases:

- Phase One consisted of stakeholder workshops in November 2017, followed by a draft version of the program plan being provided to stakeholders for review and comment in early April supported by a stakeholder webinar and in-person meetings held in mid-April and early May.
- Phase Two consisted of a substantially revised program plan being provided to stakeholders in early July, with meetings to review and discuss the revised plan held in mid July. Stakeholders were asked to review the revised plan and provide comment by early September.

More details about each phase of the consultation process are provided below.

1.2.3 Phase One Consultations

In November, 2017, Recycle BC began the consultation process with a two-day series of workshops covering the following topics:

- 3 years of data
- Curbside collection
- Multi-family collection
- Depot collection
- Contamination
- Research and development: Other Flexible Plastic Packaging
- Streetscape
- Marketing and communications
- Program plan updates

Feedback from these workshops was summarized in a consultation report available <u>here</u>. The feedback and discussions from the two-day workshop were considered in preparing the revised program plan which was presented to stakeholders at a webinar on April 17, 2018, at which time Recycle BC reviewed the key components of the draft plan and solicited their feedback. In May, Recycle BC held additional consultation meetings with local communities. One meeting was hosted by Metro Vancouver (May 9) and another was conducted as part of the Recycling Council of British Columbia (RCBC) conference (May 30).

Stakeholder feedback received during Phase One consultations, along with counsel from the BC Ministry of Environment and Climate Change Strategy (MOECCS), indicated that the revised program plan, as drafted, did not sufficiently demonstrate how Recycle BC intended to pursue a program of continuous improvement over its next five years of operation. Nor did it demonstrate sufficient leadership in light of increasing awareness of the global plastics pollution problem and recent actions by the European Union (EU) to set ambitious material-specific recycling targets for plastics. At the June, 2018 G7 Summit in Quebec, Canada tabled a Plastics Charter that also set ambitious plastic recovery and recycling targets. These targets are consistent with recent actions taken by the EU to set material-specific targets for plastics and other materials. Also, in recent months, many of Recycle BC's largest members have publicly announced commitments to achieve 100% recyclable packaging within the next five to seven years. In light of these recent developments and in response to stakeholder feedback including that received from the MOECCS, Recycle BC made substantive updates to its draft program plan. Some of the key updates include:

- An increased general recovery rate;
- Material-specific targets for plastics, metal, glass, and paper; and



• A broadened scope of obligated material to include packaging-like products and single-use plastic products such as drinking straws, plastic cutlery, etc.

1.2.4 Phase Two Consultations

After review and approval by the Recycle BC Board of Directors, the updated draft program plan was posted on the Recycle BC website on July 12, 2018. Invitations were sent to 1,574 stakeholders on June 27, 2018 inviting them to attend a meeting either in-person or via webinar to review the key elements of the updated program plan. A full list of communications sent to stakeholders, the distribution lists for these communications as well as a full list of all the organizations that participated in these three meetings are provided in <u>Appendix A</u>.

Phase Two Consultations consisted of three meetings targeting different stakeholder groups were held in North Vancouver on July 17, 18 and 19, 2018, as described below:

- The July 17, 2018 meeting was designed for the steward community. 1,343 members of the steward community were invited to attend, including industry associations. Five organizations participated in person in Vancouver and 74 joined by webcast.
- The July 18th meeting was held for collectors, local governments and First Nations communities.
 193 stakeholders were invited to join the meeting. Nine attended the meeting in Vancouver and 63 joined by webcast.
- The July 19, 2018 meeting was held for the ENGO community. Twenty organizations were invited. Three participants joined that session.
- A recording of the meetings, the material presented as well as a Q&A document for each meeting were posted on the Recycle BC website and emails were sent to all stakeholders advising them of the availability of these materials and inviting them to provide feedback on the updated plan by September 6, 2018.
- Appendix B provides links to the presentations from each meeting as well as the Q&A documents that summarize the questions asked and answers provided at each meeting.
- Stakeholders were given 45 days to review the plan together with presentation materials and to provide their feedback to Recycle BC. Appendix C of the stakeholder report provides all written submissions received from stakeholders.



Part 2: Stakeholder Engagement

Consultation on the updated program plan was directed at five primary stakeholder groups: stewards, local governments, collectors and other service providers, First Nations communities and environmental non-governmental groups. Recycle BC received 29 written submissions from stakeholders, all of which can be found at Appendix C of this report.

2.1 Steward Community

Stewards have financial and operational responsibility for the packaging and paper product recycling services provided to the residents of British Columbia. Stewards' points of view are also represented by their steward associations and/or packaging material supplier associations. Recycle BC received written submissions from 10 members of the steward community:

- Food and Consumer Products of Canada
- Retail Council of Canada
- Costco
- Scott's
- Clorox
- Premier Tech Home and Garden
- Canadian Plastics Industry Association
- Carton Council of Canada
- Paper and Paperboard Packaging Environment Council
- Canadian Federation of Independent Business

2.2 Local Governments

Many local governments play a key role as partners with Recycle BC as either communities that receive recycling service provided directly by Recycle BC, as contracted service providers to Recycle BC, or are communities that do not participate in the Recycle BC program because they are on the waitlist or they have chosen to opt out. Recycle BC received 13 written submissions from local governments:

- City of Vancouver
- Metro Vancouver
- City of Victoria
- Capital Regional District
- City of Chilliwack
- Regional District of Kitimat-Stikane
- Fraser Valley Regional District
- District of Kitimat
- District of Mission
- Qathet Regional District
- Cowichan Valley Regional District
- Cariboo Regional District
- Town of Whistler

2.3 Collectors (Depot Operators and Private Sector Service Providers)

Recycle BC contracts local governments, First Nations, private and not-for profit companies and waste management companies to deliver recycling services on its behalf to the residents of British Columbia.



Recycle BC and local governments contract depot operators to provide depot collection services for many smaller and rural communities. Recycle BC received four written submissions from the service provider community¹:

- Mayne Island Recycling Society
- Saturna Community Club Recycling Centre
- Galiano Island Recycling Resources Society
- Waste Management Association of BC

2.4 First Nations Communities and their Representatives

Recycle BC contracts First Nations communities as service providers of recycling services to their residents and also provides curbside service or depot accessibility to several First Nations communities through Recycle BC's collection agreements with local governments, direct service contractors and depot operators. Some First Nations communities are waiting to join the Recycle BC program through Recycle BC's wait list. Recycle BC received two written submissions from organizations representing First Nations communities:

- Indigenous Services Canada
- Indigenous Zero Waste Technical Advisory Group

2.5 Environmental Non-Governmental Organizations (ENGOs)

While Recycle BC did not receive any written submissions from the ENGO community, the following issues were raised by environmental organizations during the July 19th consultation meeting:

- A request that Recycle BC report recovery rates for additional sub-categories of plastic packaging beyond rigid and flexible plastics.
- A better understanding of how Recycle BC identifies the First Nations communities that are eligible to receive service from Recycle BC.
- How and the extent to which Recycle BC is engaging consumers in order to improve the quality of material collected through streetscape recycling.

¹ Please note that Mayne Island Recycling Society, Saturna Community Club Recycling Centre and Galiano Island Recycling Resources are all members of the Capital Regional District (CRD) and provide services under the CRD's contract with Recycle BC.



Part 3: Stakeholder Feedback

3.1 Summary of Key Issues Raised During Phase Two Consultations

Recycle BC received submissions from a total of 29 stakeholders on the revised program plan presenting many different viewpoints. Key issues raised include:

3.1.1 Expanded Scope of Designated Materials

The steward community does not support the expanded scope without amendments to the regulation to provide a clear regulatory backstop. Some members of the steward community argue that the definition of "packaging" as provided in the Environmental Management Act (EMA) does not legally designate either packaging-like product or single-use plastic items. Other members seem to accept the inclusion of packaging-like products in the revised plan but argue that the definition of "packaging" in the EMA does not obligate single-use plastic items. The steward community is also concerned that there has not been sufficient consultation on the broadened scope of designated materials, given the potential impact to stewards. They have requested that more extensive consultation be conducted with the steward community if the BC MOECCS intends to amend the Recycling Regulation to designate "packaging sold as product" and "single-use plastic items" and/or provide clarification and guidance on a broadened scope to the definition of PPP. They also request that amendments to the Regulation mirror similar changes to the scope of obligation made by other jurisdictions in Canada, e.g., EEQ's recent designation of packaging-like products and paper products.

3.1.2 Steward Reporting of Newly Designated Materials

With respect to reporting an expanded scope of materials, stewards indicate that they will be challenged to report on these materials in 2019 based on 2018 sales, as proposed by Recycle BC. Stewards believe that reporting on any newly designated materials should begin after the plan is approved and should allow for a year to gather the requisite data. Alternatively, they suggest that Recycle BC consider a phased-in approach to reporting on new materials.

3.1.3 Methodology to Prepare Revised Incentive Rates

Local governments expressed dissatisfaction with the incentive rates provided for depot and curbside collection, stating that they are not sufficient to adequately cover their operating costs as required by the Recycling Regulation. They also contend that Recycle BC does not provide a transparent methodology for calculating the incentive rates as required by the Ministry in its recent guidance document, *Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution* (April 24, 2018).

3.1.4 Program Expansion Criteria

Local governments support the expansion of curbside, multi-family, depot collection and increased accessibility for First Nations communities but are concerned about the restrictions contained in the eligibility criteria for new curbside collection programs. As currently proposed they believe that the eligibility criteria prohibit too many communities from joining the program due to the requirement that communities be an "incorporated municipality". Additionally, local governments want more flexibility in garbage service timing. Some local governments also expressed concern that the plan is unclear on how depot expansion will take place and how potential new depots are on-boarded. First Nations communities requested that Recycle BC accelerate its plans for expansion of services to their



communities and provided suggestions on how that could take place. In addition, ineligible small communities located close to large communities with recycling services would like to be provided with services despite the fact they do not meet the eligibility criteria.

3.1.5 Material-Specific Recovery Rate Performance Reporting

Widespread support was expressed for Recycle BC's proposal to report more detailed material-specific recovery rates including recovery rates for Paper, Plastics, Metal and Glass, as well as the plastics subcategories of rigid plastics and flexible plastics. However, some stakeholders requested further disaggregation in material-specific performance reporting.

3.1.6 Managing Program Costs

While the steward community expressed support for the four delivery principles outlined in the plan, it was suggested that, in light of the more ambitious performance targets proposed in the plan, it include a fifth "economic sustainability" principle to encourage economic analysis when prioritizing projects and implementing the program plan. In addition, stewards requested more information about the extent of non-compliance in the Recycle BC program and the financial impact as a result of non-compliant businesses.

3.1.7 Streetscape Recycling

While Recycle BC committed in the plan to further study and research into ways to optimize streetscape recycling, local governments are looking for a clearer commitment that Recycle BC fulfil its responsibilities under the BC Recycling Regulation to provide streetscape recycling. In contrast, the steward community, given the results of the Recycle BC Streetscape Pilot Project, questions the practicality and feasibility of continued investment in streetscape collection and whether it can be an efficient or cost-effective way of collecting recyclables.

3.1.8 Managing Environmental Impacts

3.1.8.1 Energy from Waste

Concern was expressed by local governments that Recycle BC identifies energy from waste as a feasible method for managing collected material particularly given the air quality impacts of that disposal method.

3.1.8.2 PPP in Organics Waste Stream

There was agreement across stakeholder groups of the need to support Recycle BC's commitment to further research into the extent to which the quantity of PPP in organic waste collection programs is actually composted at end of life. They also support Recycle BC's intention to determine if the quantity of packaging and paper product recovered annually in organic waste collection programs can be included in the end-of-life disposition of this material in Recycle BC's Pollution Prevention Hierarchy report.

3.1.9 Pollution Prevention Hierarchy

Due to the increasing volume of difficult-to-manage materials entering the waste stream, local governments are looking for assurances that producers are designing their packaging and paper products in accordance with the pollution prevention hierarchy. Local governments and collectors have



an expectation that producers are placing a priority on opportunities for reduction and reuse in the PPP they supply to market.

3.2 Summary of Feedback by Stakeholder Group

3.2.1 Steward Community

Recycle BC received 10 submissions from the steward community all of whom reiterated their ongoing commitment to the responsible management of their packaging and paper through participation in the Recycle BC program. Their positions on a variety of issues is summarized below.

3.2.1.1 Expanded Scope of Designated Materials

The steward community does not support the expanded scope without amendments to the regulation to provide a regulatory backstop. Some members of the steward community argue that the definition of "packaging" as provided in the Environmental Management Act (EMA) does not legally designate either packaging-like product (e.g. aluminum pie plates, and plastic film sandwich bags sold as product) or single-use plastic items. Other members of the steward community argue that the definition of the packaging in the EMA does not obligate single-use plastic items. Alternatively, the Canadian Plastics Industry Association (CPIA) as well as local governments expressed support for the expansion of designated materials to include single-use plastics and packaging-like-products and support the alignment of the expanded scope to the G7 Plastics Charter and other international efforts to address plastic pollution.

The steward community is also concerned that there has not been sufficient consultation on the broadened scope of designated materials, given the potential impact to stewards. Their view is that if the BC MOECC intends to amend the Recycling Regulation to designate packaging-like products and single-use plastic items or provide clarification guidance on a broadened scope then the MOECC and by extension, Recycle BC, has a duty to consult prior to including the broadened scope in the program plan. As part of the consultation process, they would like a definitive list of newly designated materials to be developed along with a clear set of criteria used to establish the expanded list. They also request that amendments to the Regulation mirror similar changes to the scope of obligation made by other jurisdictions in Canada, e.g., EEQ's recent designation of packaging-like products and paper products.

Additionally, they request that in developing a list of designated materials, Recycle BC determine how it will manage these newly designated materials through the recycling stream given that they are currently considered contaminants in the system. They also contend that much of this material is currently managed in the ICI and public space waste streams and since it is not prevalent in the residential recycling stream it should not be obligated.

3.2.1.2 Reporting of Newly Designated Materials

With respect to reporting any newly designated materials, stewards and their associations argue that reporting on any newly designated materials should begin after the plan is approved and should allow for a year to gather the requisite data, i.e. they would prefer to first report these material in 2020 using their 2019 sales and this data would be used to calculate the 2021 steward fees. Alternatively, they suggest that Recycle BC consider a phased-in approach to reporting on new materials.



3.2.1.3 Data Transparency

Stewards and their associations would like to see more transparency from Recycle BC in providing data related to the program. While they acknowledge that Recycle BC may not be able to provide some data due to its commercial interests, they request that Recycle BC consider providing at least one of the following alternatives:

- disaggregated material-specific recovery rates beyond the commitments in the plan to report recovery rates for Paper, Plastics, Metal and Glass, as well as the plastics sub-categories of rigid plastics and flexible plastics;
- fee revenues by material type; and
- the volume of obligated material supplied into the marketplace by material-type.

3.2.1.4 Managing Costs

While the steward community expressed support for the four delivery principles outlined in the plan, it was suggested that, in light of the more ambitious performance targets proposed in the plan, it include a fifth "economic sustainability" principle to encourage economic analysis when prioritizing projects and implementing the program plan. In addition, stewards requested more information about the extent of non-compliance in the Recycle BC program and the financial impact as a result of non-compliant businesses.

3.2.1.5 Continuous Improvement

Many stewards have made global commitments to make measurable improvements to the environmental footprint of their packaging and paper products and therefore support Recycle BC's design principle of continuously improving the effectiveness and efficiency of the recovery of PPP in British Columbia.

3.2.1.6 Research and Development

Stewards are supportive of the work Recycle BC is doing to expand the range of materials that are collected for recycling. Extending the range of materials that can be managed through the recycling system requires collaborative partnerships and investments in innovation and R&D as demonstrated by Recycle BC's pilot projects on recycling of other flexible plastics and plastic squeeze tubes.

3.2.1.7 Promotion and Education

The steward community supports ongoing investments in resident education and awareness programs and are willing to partner with Recycle BC to provide any relevant consumer insights that may help to improve resident engagement and recycling behaviours.

3.2.1.8 Compostable Packaging

Support was expressed for Recycle BC's ongoing research into compostable packaging and paper products with a request that Recycle BC play a role in advancing a single, national harmonized standard or definition of compostability.

Stewards are committed to the ongoing success of the Recycle BC program and the effective and costefficient management of their materials but did express some reservations about specific aspects of the draft program plan. The following are their primary areas of concern:



3.2.1.9 Streetscape Recycling

Some stewards do not believe that streetscape recycling should be the responsibility of stewards because most material found in the streetscape stream comes from the ICI sector. It was also suggested that if this material is indeed going to be collected by Recycle BC as required by the Recycling Regulation, Recycle BC should consider directing this material to an energy from waste facility.

3.2.1.10 Curbside Collection Containers

Stewards with a specific business interest have asked that Recycle BC reconsider its planned phase-out of single-use bags for curbside collection.

3.2.2 Local Governments

Recycle BC received written submissions from 13 local governments as part of the Phase Two consultation process. Feedback from this sector was diverse due to the different interests of various communities: some communities receive recycling services provided directly by Recycle BC, some communities are contracted service providers to Recycle BC, and some communities are not yet participants in the Recycle BC program. Their positions on a variety of issues is summarized below.

3.2.2.1 Methodology to Prepare Incentive Rates

Local governments expressed a dissatisfaction with the incentive rates provided for depot and curbside collection indicating that they are not sufficient to adequately cover their operating costs. They also contend that Recycle BC does not provide a transparent methodology for calculating the incentive rates as required by the Ministry in its recent guidance document, Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution (April 24, 2018).

3.2.2.2 Program Expansion Criteria

Local governments support the expansion of curbside, multi-family, depot collection and increased accessibility for First Nations communities, but they are concerned about the restrictions contained in the eligibility criteria for new curbside collection programs. As currently proposed they believe that the eligibility criteria results in the exclusion of too many communities from the program. Some suggested that expansion of the Recycle BC program could be more quickly achieved if electoral areas adjacent to existing Recycle BC curbside collection routes be eligible to join the program. In addition, the plan is unclear on how depot expansion will take place and suggest that in order to ensure widespread and fair access to recycling, Recycle BC adopt 'depots per capita' as an accessibility indicator.

3.2.2.3 Expanded Scope of Designated Materials

Local governments do not share stewards' concern about the expanded scope. In fact, they expressed support for Recycle BC's proposal to expand the scope of designated materials to include packaging-like products and single-use plastic items and the alignment of this proposal with the G7 Plastics Charter and other global initiatives.

3.2.2.4 Performance Targets

They support the more aggressive performance targets outlined in the plan including the 78% program recovery rate and the material-specific recovery rates.



3.2.2.4 Performance Reporting

They support Recycle BC's proposal to report material-specific recovery rates for paper, plastics, metal and glass -- giving communities more insight into how materials are performing through the system.

3.2.2.6 Promotion and Education

Local governments agree with Recycle BC that effective resident engagement is essential to the success of the program. There was universal support for Recycle BC's approach to resident P&E efforts designed to further engage BC residents in proper recycling behaviours and a willingness to work with Recycle BC on enhanced P&E efforts.

While local governments do support elements of the plan as noted above, they also contend there are opportunities for improvement. They continue to be concerned with the following aspects of the plan:

3.2.2.7 Streetscape Recycling

While communities appreciate Recycle BC's intentions to continue studying ways to improve streetscape recycling, they are looking for a commitment from Recycle BC that it will provide public space recycling.

3.2.2.8 Managing Environmental Impacts

Due to the increasing volume of difficult-to-recycle materials entering the waste stream, communities are looking for assurances that producers are designing their packaging and paper products in accordance with the pollution prevention hierarchy. They contend that if producers place a priority on opportunities for reduction and reuse, it is hoped that the program can achieve an absolute reduction in the amount of material requiring management.

There is concern that Recycle BC identifies energy from waste as a feasible method for managing collected material particularly given the air quality impacts of that disposal method.

3.2.3 Collectors (Depot Operators and Private Sector Service Providers)

Recycle BC received four submissions from collectors. The submissions received reflect the views of these depot operators and a waste management association. Their positions on a variety of issues is summarized below.

3.2.3.1 Expanded Scope of Designated Materials

Collectors support Recycle BC's proposal to expand the scope of designated materials to include single use plastics and packaging like products.

3.2.3.2 Program Expansion

There is general support for the proposal in the program plan for increased flexibility around satellite depots. Collectors believe the establishment of satellite depots will allow more underserviced communities to participate in the program and divert their recyclables from landfill.

Collectors would like to see more flexibility in the eligibility criteria for joining the Recycle BC program particularly for smaller and more remote communities. Collectors believe that the program can collect more materials if Recycle BC were to permit bulk drop-offs from remote areas at Recycle BC depots. Collectors oppose the ban on this method for the collection of materials from underserviced areas.



3.2.3.3 Incentive Rates

There were strong opinions expressed on the incentive rates provided for the operation of depots stating that they are inadequate and do not sufficiently cover the costs required to provide this service. As a result, depot operators are overly reliant on volunteers and other sources of funding to continue to provide services.

3.2.3.4 Stakeholder Collaboration

While supportive of Recycle B.C.'s four principles, the waste management industry recommends the Recycle B.C. Program include a collaborative effort from all stakeholders along the material chain of custody and that Recycle B.C.'s Industry Advisory Council include representatives that are directly involved in the private waste services industry specifically in the collection and processing side of the business.

3.2.4 First Nations Communities

Recycle BC received two submissions from organizations representing First Nations communities. The submissions put forward the following recommendations on the updated program plan:

3.2.4.1 Program Expansion

- A request that Recycle BC accelerate its plans for expanding its program to First Nations communities. This could be achieved by revising the target number of First Nations communities that are eligible to join the Recycle BC program, allowing existing Recycle BC collectors to expand service to First Nations communities within their vicinity and/or allowing First Nations residents to access Recycle BC depots in their regions.
- Another suggestion was for Recycle BC to consider a step-wise approach to bringing First Nations communities into the program, many of whom are reluctant to sign a membership agreement that contains heavy penalties for exceeding contamination thresholds. First Nations communities would be willing to work with Recycle BC to receive training and audits in order to achieve the quality control requirements prior to registering as full participants.
- It was suggested that Recycle BC track and report the progress being made in closing the gap between the number of First Nations communities receiving Recycle BC services in relation to the rest of the province.

3.2.5 Environmental Non-Governmental Organizations (ENGOs)

While Recycle BC did not receive any written submissions from the ENGO community, the following issues were raised by environmental organizations during the July 19th consultation meeting:

- A request that Recycle BC report recovery rates for additional sub-categories of plastic packaging beyond rigid and flexible plastics.
- A better understanding of how Recycle BC identifies the First Nations communities that are eligible to receive service from Recycle BC.
- How and the extent to which Recycle BC is engaging consumers in order to improve the quality of material collected through streetscape recycling.



Part 4: How Feedback was Considered by Recycle BC

4.1 Responses to Key Issues

Recycle BC gave careful consideration to the feedback received from stakeholders on the updated program plan and conducted a thorough review of the plan to determine how best to incorporate the feedback received. In this section, we address the key issues as listed in Section 3.1 of this report and how they were considered by Recycle BC.

4.1.1 Expanded Scope of Designated Materials

In light of the steward community's concerns about the broadened scope of designated materials, Section 3.1 of the program plan has been revised to reflect its original scope of packaging and paper product. References to packaging-like products and single-use plastics have been removed.

When it submits its program plan to the government for approval, Recycle BC will request that the BC government conduct a consultation on potential amendments to the regulation to expand the scope of designated materials and that it provide clarifying guidance documents to avoid confusion about products that will be included and excluded from the program. We will also request that in the interests of regulatory harmonization, the government, in drawing up its lists of designated and exempted products, consider EEQ's recently broadened scope of designated materials.

Once a regulatory backstop for a broadened scope is in place, Recycle BC will amend its Program to reflect the amendments.

4.1.2 Steward Reporting of Newly Designated Materials

Following the completion of potential regulatory amendments to the scope of designated materials, Recycle BC will amend its plan and in conversation with the steward community, determine steward reporting requirements, including timing for data gathering and submission.

4.1.3 Methodology to Prepare Revised Incentive Rates

In response to local governments' concerns that Recycle BC does not provide a transparent methodology for calculating incentive rates, the program plan has been revised as follows:

- Section 4.3.2 Methodology to Prepare Revised Financial Incentives has been amended to require that the next cost study be overseen by the Recycle BC Advisory Committee. Membership of the Advisory Committee includes local governments such as Metro Vancouver, Regional District of East Kootenay and the Town of Comox.
- *Section 4.3.2* has been amended to contain a commitment that Recycle BC will conduct its next cost study in 2020, rather than 2021, as originally planned.
- Appendix B Summary of Performance Measures has also been amended to reflect both these commitments.

It is hoped that the Advisory Committee's oversight of the Cost Study will address concerns about transparency of the methodology and will provide confidence that the resulting incentive rates are based on a fair and reasonable costing process that includes efficiency benchmarks.

In addition, Recycle BC will continue to publish a summary report of each cost study as they are completed. The most recent study, completed in 2018, is available on Recycle BC's website <u>here</u>.



4.1.4 Program Expansion Criteria

To address local governments' concerns regarding eligibility criteria for receiving recycling services, the program plan has been amended as follows:

- Section 4.3.5 New Curbside Programs has been amended to enable communities to qualify for recycling services if they have had a curbside garbage collection program in place for a minimum of two years prior to the proposed introduction of curbside recycling, instead of by 2014, as originally required.
- Section 4.3.5 has also been amended to contain a commitment to develop an equivalency definition for communities with 5,000 residents that does not require incorporation as a criteria for eligibility.

To address concerns expressed by ineligible small communities located close to large communities with PPP recycling services that they should be provided with services:

- Section 4.3.8 Depot Collection has been amended to contain a commitment by Recycle BC that upon completion of its current expansion phase, we will conduct a province-wide depot accessibility assessment to determine the adequacy of depot coverage, with the objective of continuing to improve our current accessibility metric that 98% of B.C. households have access to depots.
- Appendix B Summary of Performance Measures has also been amended to reflect the addition of this commitment.

In addition to these amendments, to address First Nations request that expansion of services to their communities be advanced, Recycle BC has developed a working group with Indigenous Services Canada to collaborate on the provision of services to First Nations communities as outlined in Section 4.3.9 of the program plan.

4.1.5 Material-Specific Recovery Rate Performance Reporting

Recycle BC is pleased that there was widespread support for our proposal to report on material-specific recovery rate performance for paper, plastics, metal and glass, as well as the plastics sub-categories of rigid plastics and flexible plastics. Based on the results of this first level of reporting, Recycle BC will determine if it is appropriate to provide further sub-category recovery rate information as the program matures over its next five years. Recycle BC will also explore opportunities to publish performance information used to set steward fees to the extent that this information does not compromise Recycle BC's commercial interests.

4.1.6 Managing Program Costs

Recycle BC is pleased that the steward community expressed support for the four delivery principles outlined in the plan. We also appreciated the suggestion that, in light of the more ambitious performance targets, the plan be revised to include a fifth "economic sustainability" principle to encourage economic analysis when prioritizing projects and implementing the plan. However, a review of the EMA and related policy documents indicated there is nothing in the regulations that would permit producers' economic interests to override or mitigate their extended producer responsibility obligations under the law. This does not preclude Recycle BC from realizing the economic benefits of operating an efficient program, as supported by the first principle: "Focus on outcomes, not process – maximize recovery, maximize efficiency, enhance resident service levels while minimizing complexity."



4.1.7 Streetscape Recycling

While the steward community questions the practicality and feasibility of continued investment in streetscape collection, given high levels of contamination, local governments are looking for a commitment from Recycle BC that it will provide streetscape recycling services.

The Recycling Regulation requires that Recycle BC provide streetscape services for packaging and paper products and that Recycle BC members fund this work. Despite the fact that our pilot projects indicated a very high level of contamination in streetscape material, we are committed to continuing to work in partnership with local governments to conduct more streetscape collection studies to determine how to best reduce the contamination levels such that streetscape material can meet marketability criteria.

4.1.8 Managing Environmental Impacts

4.1.8.1 Energy from Waste and the Pollution Prevention Hierarchy

Recycle BC appreciates the concern expressed by local governments regarding the potential air quality impacts of recognizing energy-from-waste as a material management option. However, as a method of addressing packaging formats that cannot currently be recycled, it is preferable to disposal in landfill until recycling solutions are identified. That said, we applaud the many Recycle BC members that have made global commitments to make 100% of their packaging recyclable by 2025 because designing packaging for recyclability will be a critical contributor to improving the economics of recycling without having to resort energy from waste as the final disposition for PPP.



Part 5: Conclusion and Next Steps

Recycle BC greatly appreciates the substantive investments in time, involvement, and thoughtful feedback provided by our many stakeholders over the last ten months.

As discussed in this report, revisions were made to the plan to reflect this feedback. This consultation report and the Recycle BC program plan will be submitted to the BC Minister of Environment and Climate Change Strategy for approval.



Appendix A: Stakeholder Communication and Distribution

Date Sent	Торіс	Stakeholder Group	Open Rate	Click Rate
June 27 2018	Invitation sent to collectors for July 18 consultation meeting	Collectors/Local Governments/First Nations Communities	48%	26%
June 27 2018	Invitation sent to stewards for July 17 th consultation meeting	Stewards	31%	16%
June 27 2018	Invitation sent to ENGOs for July 19 th consultation meeting	ENGOs	56%	36%
July 12 2018	Reminder e-mail regarding the July 18 th consultation meeting	Collectors/Local Governments/First Nations Communities	50%	33%
July 12 2018	<u>Reminder e-mail to Stewards</u> regarding the July 17th consultation meeting	Stewards	30%	17%
July 12 2018	Reminder e-mail to ENGOs regarding the July 19th meeting	ENGOs	60%	20%
July 17 2018	<u>Meeting materials sent to</u> <u>stewards</u>	Stewards	32%	14%
July 18 2018	Meeting materials sent to collectors, local governments and First Nations communities	Collectors/Local Governments/First Nations Communities	47%	24%
July 19 2018	Meeting materials sent to ENGOs	ENGOs	45%	8%
July 31 2018	Notice that consultation meeting QAs now available	All stakeholders	33%	18%

Below is a list of all communications sent to stakeholders during the **Phase Two** consultation:

A list of affiliations invited to participate in Recycle BC's program plan consultation can be found here.

Below are lists of attendees for each Phase Two consultation meeting:

Steward Meeting – July 17, 2018:

A.Lassonde	Canadian Beverage Association
Aritzia	Canadian Franchise Association
Bayer Inc.	Canadian Plastics Industry Association
BC Ferries	Canadian Tire Corp
Bell	Capital One
Bell Mobility	Carton Council Canada
BMW Canada Inc.	Chaser's Fresh Juice Vancouver
Bonduelle	City of Vancouver



CKF Inc. **Comox Valley Regional District Corinthian Distributors** Costco CPIA CropLife Canada Dare Foods Limited Dart Canada Inc. Eatmore Sprouts & Greens Ltd. EEQ **Envirotech Associates Limited** EPI FCA Canada Food & Consumer Products of Canada Fortis BC Golden Boy Foods **Great Canadian Plastics Association** Guy Perry & Associates Home Hardware ICBC LEGO Lindt & Sprungli Canada Loblaw Company Ltd. Loyalty One Multi-Material Stewardship Manitoba Inc. North Coast Regional District Pacific Blue Cross Pfizer Inc. PPEC PPG Quality Foods Ltd Retail Council of Canada Salt Spring Coffee Saputo Scotts Canada Ltd. Scout Environmental Smucker Foods of Canada **Staples Canada Taro Pharmaceuticals** Telus

- Tree of Life V.I.P. Soap Products Ltd Village of Cumberland Whirlpool Whistler Blackcomb
- Yamaha Motor Canada Ltd.

The Oppenheimer Group



Local Government/Collector/First Nations/Waste Management Meeting – July 18, 2018:

London Drugs
Manor Hall Group
Metro Vancouver
PIRS
Pitt Meadows Bottle & Return Depot
Regional District of Central Kootenay
Regional District of Central Okanagan
Regional District of Fraser-Fort George
Regional District of Kitimat-Stikine
Regional District of Okanagan-Similkameen
Ridge Meadows Recycling Society
Salt Spring Island Recycling
Squamish-Lillooet Regional District
Sunshine Coast Regional District
Super Save
Town of Golden
Township of Langley
UBCM
Village of Cumberland
VitalAire
Waste Control Services

ENGO Meeting – July 19, 2018:

Canopy Georgia Strait Alliance and Global Ghost Gear Initiative West Coast Environmental Law



Appendix B: Presentation Materials and Q&A Documents

All Phase One and Phase Two presentations, meeting recordings and questions & answers documents for the individual stakeholder meetings are posted on Recycle BC's website and can be found <u>here</u>.



Appendix C: Written Submissions from Phase Two Consultations

The following are the feedback submissions received from Phase Two consultations, organized by stakeholder group.



PPEC Response to Recycle BC Plan

September 5, 2018

PPEC represents the paper packaging industry of Canada on environmental issues with members both producing packaging material and recycling it after use.

We appreciate the opportunity of commenting on the Packaging and Paper Product Extended Producer Responsibility Plan (revised July 2018) document. Our comments are listed in order.

1 (Page 4): American spelling of fibre (twice)!

5.1 (Page 19): We recognize that others use the term 100% recyclable as a goal. We would caution that recyclability is a function of being able to be recycled (i.e. having access to recycling) and that 100% will never be achieved anywhere in Canada because there are always small communities that do not have convenient access to recycling services.

5.1 (Page 20): We support the research into the quantities and types of paper being sent for composting.

5.3 (Pages 21-23): It would be useful to us to know the current (2017) specific recovery rates for various grades of paper. This would make it easier for us to encourage design changes, reduction changes, and greater recovery. But you only reveal sub-categories for plastics. Without more information on paper substrates it is impossible for us to comment on the feasibility of the targets (when they are set for all paper collectively) and whether the time lines for achieving them are reasonable.

Regards,

John Min Condon

John Mullinder **Executive Director, PPEC**





Conseil canadien du commerce de détail Retail Council of Canada Conseil canadien du commerce de détail

410-890 West Pender Street Vancouver, B.C. V6C 1J9 Telephone +1 (604) 736-0368 www.retailcouncil.org

6 September 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

By electronic mail

Dear Recycle BC,

Thank you for the opportunity to provide comment on Recycle BC's revised Packaging and Paper Product (PPP) Extended Producer Responsibility (EPR) plan revised in July 2018.

Scope of Products Included in Plan

Recycle BC's new draft plan expands the scope of the product included in the plan.

Recommendations:

- 1. RCC urges Recycle BC to develop a collection and material-processing plan before any new material is obligated.
- 2. RCC notes that a very significant amount of the material Recycle BC proposes to obligate (including plastic straws, stir-sticks and utensils) is managed by the ICI sector's waste collection system. Other material is prevalent in the public space and therefore collection will probably be both more difficult and costlier and therefore other alternatives for managing this material may be preferable.
- 3. Straws, stir-sticks and utensils are currently a contaminant in the blue-box collection system. RCC's position is that there are much more appropriate and effective ways of reducing or managing this waste, including, province-wide action on single-use plastics similar to the City of Vancouver's recently-adopted single-use item reduction strategy.
- 4. Recycle BC may want to propose a phased-in approach to increasing the scope of products to provide obligated producers with predictability.

Recycle BC's plan proposes that retailers will report on newly-obligated materials for 2018. Recycle BC has likely underestimated the operational challenge that this will provide to retailers who are obligated stewards. It will not be feasible for some retailers to produce the information, and for others it will cause significant cost and operational impact. We recommend that:

5. If Government decides to increase the scope of materials obligated, Recycle BC should only obligate producer to report for the year beginning after plan approval and remit and report for the following year, or, again Recycle BC may want to consider a phased-in approach.

Reporting

Recycle BC's plan proposes to increase the amount of information reported on collection but is silent on the questions of: improving reporting on volumes of material Recycle BC's participants introduce into the market (by material type); reporting fees by material type; or, providing more detailed expense information to allow participants (and other stakeholders) more transparency of operational costs (including collector compensation), communications, management and board expenses.

RCC understands that Recycle BC may view some of this data as being in their commercial interest and therefore we recommend one of these alternatives:

- 1. reporting the associated fee revenue by material type,
- 2. reporting the volume of obligated material introduced into B.C. by material type, and,
- 3. providing the recovery rate (e.g., amount collected versus amount introduced) by material type.

We look forward to discussing these in more detail and appreciate the attention of Recycle BC and the Board.

Yours truly,

Hun C. U.D

Greg Wilson Director of Government Relations (B.C.)

Food & Consumer Products of Canada



September 10, 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Via e-mail: consultation@recyclebc.ca

RE: Packaging and Paper Product Extended Producer Responsibility – Draft Revised Program Plan – Consultation Phase II

On behalf of Food & Consumer Products of Canada (FCPC), and our members across the country who are obligated and voluntary stewards of Recycle BC, we are pleased to respond to the 2018 Updated Draft of the Packaging and Paper Product Extended Producer Responsibility Plan (Program Plan).

FCPC is Canada's largest industry association representing companies that manufacture and distribute the vast majority of food, beverage and consumer goods found on grocery store shelves across the country. This industry is the largest manufacturing sector in Canada, directly employing nearly 300,000 Canadians from coast to coast, contributing nearly \$27 billion annually to the country's economy and providing safe, high quality products that are found in virtually every single home in Canada. For reference, a list of our manufacturing members is attached.

Along with being engaged stewards in recycling programs across the country, many of our member companies have already made national and international commitments to ensure all packaging is reusable, recyclable, or compostable in the near future. FCPC, along with our members, is committed to work collaboratively with Recycle BC on enhancements to the Program Plan that will build on the program's successes to date, increase recovery rates, and divert more material from landfill while ensuring financial accountability and sustainability of the program.

As we consider various environmental policy and regulatory proposals across the country, FCPC strives to ensure balanced policy and programs that will result in environmental benefit while allowing companies to invest, compete and grow in Canada. FCPC encourages the development of policy and programs that are evidence-based, provide companies with accountability and transparency of financial data as well as fiscal prudence and cost predictability.

FCPC appreciates the opportunity to provide feedback to the Recycle BC Revised Program Plan on behalf of our members. While we can offer our general support, we hope the specific and significant concerns we have raised regarding the proposed expansion of obligated materials will be taken consideration as the plan moves forward. Given the importance and complexity of the program, and particularly in light of the closure of international markets to recyclable materials, FCPC strongly encourages Recycle BC to have continued and ongoing dialogue and discussions with stewards and their trade associations regarding the Program Plan update.

Food & Consumer Products of Canada



Please do not hesitate to contact me with any questions of clarification or concerns. We trust you will consider FCPC a resource.

Sincerely,

Haunden

Michelle Saunders VP Provincial Affairs & Sustainability



Introduction

FCPC supports the regular review of Recycle BC's Program Plan to ensure continued improvement and effectiveness. The Program Plan update is critical as it not only incorporates 2017 changes to Schedule 5 of the BC Recycling Regulation, but also recognizes and responds to several external contextual considerations such as the G7 Oceans Plastics Charter, the closure of the Chinese market to the majority of recyclable materials, national and international discussions on producer responsibility and packaging innovation. It follows that in order to recover more material and divert more waste from landfill the BC program must be expanded, however we note below a number of specific comments, concerns and questions of clarification.

3.1 Packaging

The draft Program Plan proposes a broadened scope of obligated materials, to include both packaging-like products and single use plastic items. We note with interest and concern that neither of these product categories were included in Phase I of the consultation process, and suggest neither fits the criteria set out in either the *Environment Management Act* or the Recycling Regulation.

FCPC recommends that before any new materials are included in the Program Plan comprehensive analysis is conducted to determine environmental and economic opportunities, including the viability of existing or potential end-markets, infrastructure capacity, both existing and forecasted, costs and benefits, including cost efficiency and program effectiveness, the experience of other jurisdictions, both in Canada and abroad, and harmonization with existing national and international efforts.

We, along with our members, have a number of questions and concerns regarding the proposal to include packaging-like products and single-use products, and recommend Recycle BC continue dialogue with stewards before proceeding with expanding the scope of obligated materials.

Of significant concern, the list of items which could possibly be included in packaging-like products and single-use products (i.e. *aluminum pie plates, aluminum foil, plastic or paper-based beverage cups, kraft paper bags, re-sealable plastic bags, plastic cutlery, plates, cups, straws and stirrers*) is vague and, as the consultation document acknowledges, incomplete. Although it is proposed that Recycle BC would develop guidance on this matter upon approval of the Program Plan, we suggest this clarification is required in advance, so stewards are aware of their obligations and can, in collaboration with Recycle BC, be able to reasonably determine cost implications.

FCPC recommends targeted consultation and guidance to specify how "packaging-like" products and "single-use" materials will be defined as distinct product categories, including specific criteria for obligated materials included in the program that ensure a fair distribution of costs and obligations for all producers. FCPC also recommends that Recycle BC consult with other jurisdictions in Canada that are already considering some of these products using different terms and definitions, and ensure as much harmonization of terms as possible. These discussions are critical to producers' ability to consult on the revised Program Plan, and we recommend they take place prior to government approval.

Food & Consumer Products of Canada



FCPC has significant concerns specifically with the proposal to include re-sealable bag within the definition of packaging-like product. We disagree with this categorization. Re-sealable bags, like other more durable storage containers, are regularly used repeatedly and for long periods of time.

We are further concerned that re-sealable bags, which are also often used for food storage pose a risk of contaminating and degrading the quality and value of recyclables.

With regard to single-use items, the draft Program Plan proposes that straws, spoons and other items be included in this new category. It is unclear how items such as straws and spoons sold or distributed separately will be distinguished as single-use items from similar items that are sold as part of another product (ie: straw attached to a drinking box, or spoon attached to a yogurt/pudding/fruit cup, etc.). These latter products are already captured under the Program Plan obligations for "packaging components and ancillary elements". FCPC requests more dialogue and guidance on how this rule may be applied, and how these types of products would need to be reported and assessed for fee allocation.

Stewards have also noted some municipal efforts to reduce or restrict specific items, through product bans, which are not only impractical for manufacturers who make a single product for the national marketplace, but are actually counter to Recycle BC's efforts. We encourage Recycle BC to consider ways of working with provincial and municipal governments to ensure aligned efforts that achieve both environmental benefit and a fair regulatory climate for businesses.

Steward Reporting

The July 17 steward consultation webinar stated that, for newly obligated materials, stewards would be required to report in 2019, using 2018 data, and that those reports would be used to set 2020 fees. Stewards will struggle to report in 2019 on data they may not have been collecting in 2018. Further, it is premature to assume that the data reported will justify those materials being included in the obligated materials list until a full analysis is complete.

Notwithstanding our earlier concerns that packaging-like products and single-use products should not be listed as obligated materials at this time, FCPC recommends that no new material reports be required until 2020, using 2019 data so stewards know what records to keep, and no new fees be attributed until a full analysis has been undertaken to determine which materials are listed as obligated materials.

FCPC would encourage Recycle BC to ensure that data collected from producers is used to conduct an assessment of the efficacy and viability of including "packaging-like" and "single-use" products in the program, before it is immediately used to set fees. Data should not be collected under the presumption that it will only be used to set fees, without any proper analysis. The Recycle BC program has been successful in weathering market changes including China's National Sword, because of its prudence and evidence-based decision-making, only collecting those materials for which there are viable end markets.

Pilot Projects

FCPC is encouraged by Recycle BC's pilot project for collecting flexible plastic packaging, and along with our members, are eager to see the results of the program. Finding innovative ways to make collection and management of materials financially viable is vital to ensuring that the Program continues to be sustainable. We hope that the results of this pilot are made available to



stewards, and that they, as well as steward reporting are taken into consideration before adding the new products to the Program Plan.

3.2 Paper Product

As the approved Program Plan will align with 2017 changes to Schedule 5 of the Recycling Regulation, FCPC is fully in agreement with the acknowledgement that obligated paper products "does not include paper products that, by virtue of their anticipated use, could become unsafe or unsanitary to recycle".

4.1 Packaging and Paper Product Program Delivery Principles

FCPC supports Recycle BC's overarching objective to continuously improve the effectiveness and efficiency of recovery in British Columbia. We also support the continued use of the program's founding guiding principles;

- "Focus on outcomes, not process maximize recovery, maximize efficiency, enhance resident service levels while minimizing complexity;
- Provide economic incentives and set simple rules effective economic incentives will drive behaviour that increases recovery activity throughout the PPP reverse supply-chain; simple rules will provide clarity and certainty to those collecting and recycling PPP;
- Foster interaction, collaboration and competition to drive innovation innovation is the result of complex interactions of ideas and efforts among producers and private, public and not-for-profit entities with parties bringing together complimentary skills to collaborate and deliver more value; and
- Set the stage for evolution harness existing activities and build on success through continuous improvement and use of economic incentives to increase collection of PPP and improve system efficiency."

FCPC agrees that Recycle BC should always strive to deliver a program that is harmonized and straight forward, to provide as much clarity as possible to stewards. Especially given many stewards operate in many jurisdictions across Canada and internationally. However, FCPC would suggest "**environmental benefit**" be included explicitly in the guiding principles. Maximized recovery is not necessarily synonymous with optimal environmental outcomes and Recycle BC should strive to constantly evaluate how its program contributes to environmental management overall.

4.3 Streetscape Collection

Recycle BC has taken numerous steps to evaluate and consider streetscape collection, but the challenges noted, including the closure of China's commodity markets, and significantly high contamination rates suggest further consideration be given to a fair, effective, and efficient streetscape collection model before any further decisions are made. Further research and consideration must be given to collection capacity, infrastructure, consumer behaviour and processing capacity before proceeding further.



4.7 Communication

At the end of the day, resident and consumer participation is the keystone of all recycling and waste diversion programs. A perfectly designed system cannot function without active and informed participation by consumers. That is why FCPC is supportive of Recycle BC's objective to, "Engage and encourage residents to make informed and proper decisions concerning the preparation and management of PPP for collection and recycling by employment of general and targeted promotion and education (P&E) activities."

Resident and consumer awareness and education, informed by consumer research, is fundamental to ensuring that collection and recycling services proceed effectively, volume of valuable materials is high, and contamination rates decline. By engaging with producers and other governments and organizations, Recycle BC can ensure that residents receive clear, consistent messaging and information on how to participate in the program. This education process is simplified when jurisdictions have harmonized systems and language that can be clearly understood to minimize confusion among residents and stewards.

4.9 Program Financing

FCPC is supportive of the program financing elements outlined in the draft Program Plan, and we are encouraged by the work Recycle BC is doing to expand and improve the collection and management of materials. The flexible plastic packaging pilot, is reassuring to producers who pay fees and want to see their packaging responsibly managed. FCPC supports the prudent decision to not collect materials without viable end markets, but also supports investment and research in emerging technologies to develop those markets.

FCPC would however, like to raise concerns held by stewards about bearing the ever increasing costs of materials entering the system from producers not paying into the system. Given the growing trend among consumers to purchase goods from online retailers, these bodies need to be fully captured as obligated producers. Given the fees stewards pay for uncollected material, stewards need to be sure that all producers who generate packaging that enters BC programs are paying their share. A concerted and explicit effort should be made to ensure producers active in e-commerce (ie: Amazon, Canada Post, etc.) are captured in the allocation of management cost, to ensure a level playing-field, and to eliminate any free-riders from dumping orphan materials into the program.

FCPC would also like to suggest the consideration of the role financial incentives could play in developing the circular economy for recyclable materials. For example, Recycle BC could encourage the government to incentivize the use of recycled materials in packaging. This would serve to reward stewards for the work they have done toward including or increasing recycled content, and generate more interest in developing the demand for recycled plastic. It is worth noting however that FCPC has recommended clarification and guidance from Health Canada on the safe use of recycled content specifically for food content packaging.

5.1 Managing Environmental Impacts

The new Program Plan is not a starting point, but builds on successes and ongoing efforts of Recycle BC and stewards. FCPC supports the acknowledgement of the work producers continue to do to reduce the environmental impact of the packaging and paper product they distribute. Many FCPC member companies have made national and international commitments





to make all there packaging or products recyclable or compostable, and to use recycled material in their packaging. Many producers employ life-cycle-analysis for their products and packaging, to minimize their environmental impact, and reduce greenhouse gas emissions, resource use, and waste generation, at every stage of a products life. Our members are actively engaged in international partnerships to foster collaboration and innovation. The New Plastics Economy is one such industry lead initiative to develop a true circular economy for plastics to prevent them from entering our environment.

Compostable Packaging and Paper Products

FCPC is very interested in Recycle BC's research into compostable packaging and paper products, an ever increasing area of development as companies look to alternative materials to reduce environmental impact.

"With the expansion of packaging and paper into compostable formats, Recycle BC will also undertake research to determine the extent to which the quantity of PPP in organic waste collection programs is actually composted (i.e. reduced to biological nutrients) at end of life (as opposed to being designated as contamination in commercial and municipal composting systems)."

Innovations in compostable materials, particularly in packaging, represent a new and emerging issue for organics policies and program management that is distinct from other diversion issues but that also offers opportunities for progress toward climate change goals. The inclusion of this type of diversion in the pollution prevention hierarchy is entirely appropriate, and should be considered when examining product and material recovery rates.

The acceptance of certified compostable products into municipal organics programs is currently a patchwork across Canada. Companies who have invested in research and innovation, and whose products have been certified compostable find themselves in a situation where some municipalities readily accept the product and others are unwilling to. This prohibits effective and consistent consumer education and simply causes confusion, resulting in waste.

FCPC strongly believes that terms and standards for this growing market should be guided at the federal or national level to ensure harmonization. FCPC has recommended that Environment & Climate Change Canada or the Canadian Council of Ministers of the Environment consider a single definition or standard for compostability to prevent a patchwork system on compostable packaging and materials from proliferating. The ASTM International Standards includes examples, including the ASTM D6400, of generally accepted standards for compostable materials.

FCPC supports financial incentives to encourage the continuous innovation, and management of appropriate packaging and paper products through the organic waste stream, and recommends Recycle BC engage stewards in discussions on this matter.





5.3 Performance Metrics

FCPC believes the targets set be the program plan are reasonable, and effectively categorized to encompass the materials in the program (i.e. plastic, paper, glass, and metal). While we are satisfied by the plan, we would like to reiterate that targets should be evidence-based, taking into account current recovery rates, available volume and technological capacity, and overall financial sustainability of the program.



As of May 2018



Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Attention: Ms. Tamara Burns – Vice President

RE: Response to Consultation on Revised Recycle BC Program Plan – Phase II Response Address: consultation@recyclebc.ca

Dear Ms. Burns

The Canadian Plastics Industry Association (CPIA) is pleased to provide the following comments and recommendations to the Phase II Consultation.

The proposed plan has identified some key improvements that CPIA believes should be implemented as soon as possible:

- Expanding the scope of obligated packaging

 Include packaging-like products and associated plastic items such as re-sealable plastic bags, plastic cutlery, plates, cups, straws and stirrers. This would not only expand the list of accepted packaging but also move these products from being landfilled waste resources to being part of the valued recycled materials stream of a circular economy.

Providing the opportunity to collect PPP in-store

• For more than 20 years, highly dedicated and motivated BC consumers have been returning the multi-purpose recyclable plastic shopping bags to their retailer's supplied collection containers. Pre-Recycle BC analysis, based on industry and recycler's supplied numbers, calculated the plastic bag recycling rate (for all bags distributed) at > 30%. To many this recycling rate would seem unsatisfactorily low, but when coupled with a > 60% bag reuse rate (supported by waste audits), these bags are also no longer available for recycling as they are a proven substitute for heavier plastic kitchen catchers used for household waste and other types of reuse. Also supported by waste composition studies, the audits found less than 10% of all bags were "wasted" (i.e. not recycled or reused). To state this another way, 90% of all bags are reused and recycled which is an outstanding environmental performance when compared to other materials and packaging.

This same high-performance bag system is still functioning today and has actually expanded access over the years more recently with the addition of Walmart and London Drugs programs. This bag recycling has not been fully accounted for by Recycle BC reporting systems. Thus, there should be no surprise that Recycle BC (MMBC) has repeatedly stated that while there are no actual numbers available, their best estimates inaccurately put the plastic shopping bag return rate through the PPP system at less than 10%. Being able to bring the full benefits and potential of the whole bag return system with its dedicated consumers fully into the PPP system, will provide an immediate uptick in system return volumes. This will also provide greater interaction with the consumer as demonstrated by the current London Drugs program. The potential also includes the opportunity for better knowledge and understanding of the circular economy process by the consumer, increased materials returns, more environmentally sound buying decisions and how 3R's choices by consumers (and retailers) lead to higher levels of support and satisfaction for these programs.

- <u>Managing the Challenges of Streetscape and Public Spaces Collection and</u> <u>Recycling</u>

There is no question that this is a challenging and frustrating segment 0 of the Recycling BC obligations. There is also no question that Recycle BC has put considerable time, effort and financial resources into studying and testing potential methods of managing the segment – with apparently little or no success to date. The work done has led Recycle BC to clearly state that while there are valuable components in this stream the mix does not meet Recycle BC's criteria for recycling. Further, that while there are new technologies coming on stream that have the potential to make use of some or all these materials even those opportunities may not meet the Recycle BC requirements as set out in the plan. So, as it stands right now these materials are being researched and reviewed and going to disposal. The reality is that abandoning these materials until something happens that will make this segment meet the commodities grade standards of residentially generated feedstocks is probably a long-term scenario with all the ongoing public outcry, political angst and unnecessary punitive ban bylaws on fully recyclable materials in these public space bins.

Section 5(1)(c)(viii) of the Recycling Regulation requires that an EPR plan adequately provide for the management of the product in adherence to the order of preference in the pollution prevention hierarchy

Section 5.2 of the plan clearly states that "The Program Plan adheres to the pollution prevention hierarchy" and sets out the chart of hierarchy. Disposal is the very last step in the process and only used after materials have been taken out at the highest value possible.

The current process for streetscape and public spaces materials is not consistent with the plan and stated hierarchy. At the very least, as an interim landfill diversion solution, materials generated and collected close to the Burnaby Energy from Waste facility should be used as fuel for the generation of electrical power for the circular economy. This may not meet the ideals wished for but it is a realistic and reasonable interim solution for most of the public space material generated in Metro Vancouver currently unsuitable for recycling. This can be quickly implemented and when the quality of streetscape collected materials improves it is easy to move the materials to higher levels of use in the solid waste hierarchy.

- Communications

Based on CPIA experience over the past year or so with municipalities, 0 there seems to be a great deal of confusion and general lack of knowledge about the BC stewardship system. This is not only at the resident level but also with many elected officials and policy makers. This is not exclusively a Recycle BC challenge but there should a greater emphasis in the plan to go beyond the nuts and bolts of where to put obligated materials. There is a need for more information about the system, what does it do - how does it work – who pays the bills and is responsible for managing the system. This is likely to be a particularly challenging year as a local government election year with what is forecasted to be a significant number of newly elected politicians to local governments. Communications of industry's role in stewardship for the province is critical to avert further municipal intervention in banning or putting punitive measures on industry and its programs, especially when stewards are 100% financially and operationally responsible. We see the actions of some municipalities as a threat to industry stewardship, the circular economy, while stifling innovation, investment in new technology, employment and systems that will get us closer to zero waste to landfill. We are suggesting greater collaboration between industry/Recycle BC, the Province and municipalities to address this issue and strengthen the one of Canada's leading stewardship programs.

- <u>Reporting Program Results</u>

From CPIA's perspective this is one of the areas of most concern. The aggregation of plastics into two large groupings – Rigid and Flexible - does not provide enough information to clearly demonstrate the performance of the program in collecting and recycling these materials. This lack of detail leaves the system and the industry open to criticisms with no means of definitively stating what is actually happening, identifying issues, solutions and investment required that lead to continuous improvement

- The continuing challenge is not being able to get the robust data to actually determine what has been accomplished and how we can continually improve the system. The Recycle BC system is physically handling the materials, has the means, opportunity and the obligation to provide accurate and detailed breakdowns of what materials are passing through the system. This data should be available to all stakeholders and public.
- Overall, greater transparency and collaboration between industry, municipalities and the province is essential to the future ongoing success of this very public BC stewardship system. This will facilitate and allow key stakeholders to participate by bringing their resources and expertise to ensure the system continuously improves.

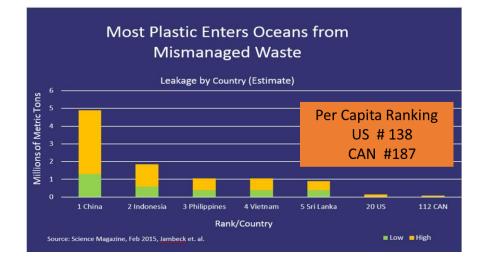
- <u>Communications – Multi-Purpose Recyclable Plastic Shopping Bags</u>

- CPIA would like to address Recycle BC's communications approach to promoting plastic bag reduction. We are highly disappointed that Recycle BC would "demonize" and sacrifice a well stewarded product that has been found through Life Cycle Assessment (LCA) by various governments (Quebec, Denmark & United Kingdom) to be the best environmental choice among all carry bags because of an operational markets problem that could have been addressed through effective and positive communications to the public. It must be noted this is a complex issue. Recycle BC's negative communication approach demonstrates it has not done its research on the negative unintended impacts of the communications program on the environment, which is the generation of more solid waste/more plastic through kitchen catchers purchased to replace the shopping bag, more GHG's & climate changing emissions and unrecyclable single purpose reusable bags that will end up in landfill. CPIA despite its discussions with senior management to be consulted and involved was ignored along with our concerns for the unintended negative environmental impacts that will occur. CPIA could have provided the information and expertise to assist Recycle BC to make a truly better environmental and operational decision while maintaining a positive message that would better inform the public on how they can best support the program. Positive messaging to the public on recycling in our experience since the birth of the Blue Box always works best to solve recycling issues.
- Our plastic industry position on bags is to reduce, reuse and recycle. Reduce by only taking bags that you need; reuse plastic bags for all they are worth or use reusable bags and lastly make sure plastic bags are recycled at their end of life. The value chain from plastics to retailers and the consumer are highly aligned on this hierarchy over years of education programs at point of sale and through industry programs.
- CPIA requests the bag campaign messaging be reassessed as it is damaging to the environment (negative unintended impacts) and is an affront to industry that has worked diligently to implement effective

3R's bag steward programs in BC and across Canada to truly protect the environment, economy while meeting and addressing consumer needs and behaviours. CPIA requests a meeting with Recycle BC to present the science and facts and discuss how more positive communications and new sort technologies can improve operations at the MRF and marketing of all recyclables.

- <u>Comments to Program Context (page 4)</u>

- We are pleased and support Recycle BC's attention to the G7 Ocean Plastics Charter. The CPIA and its members have made shared societal sustainability goals to the following:
 - 100% of plastics packaging is re-used, recycled and recovered by 2040
 - Interim Goal: 100% of plastics packaging is recyclable or recoverable by 2030
- The mention of the Chinese commodity import ban for paper and plastics and Recycle BC's ability to weather the storm demonstrates the value of strong EPR programs that have developed local markets that have the capacity, technology and markets to incorporate plastics in our own emerging circular economy. Based on the G7 goal of 100% of plastics packaging is re-used, recycled and recovered by 2040, it is recommended Recycle BC commit additional research resources to addressing more non-recyclable plastics (which already have a very small carbon footprint & low global warming potential compared to other materials) with the new 21st Century Advanced Plastic Recycling technologies that are now being commercialized and being developed in the marketplace. These technologies will fill the gap that conventional plastic recycling cannot address and lead to achieving the fulfillment of the G7 100% goal.
- By managing 100% of plastic packaging through conventional and advanced recycling technologies, design and education (i.e. littering behaviour must be addressed), BC will ensure plastics resources are circulated in the economy, their full value and benefits realized and the issue of land and marine plastics fully addressed. We must note the program context should inform readers that Canada and G7 countries are not major contributors of marine plastics because of our sophisticated waste management and EPR programs that manage plastic waste resources and other solid waste effectively. In fact, Canada's contribution to mismanaged plastics entering marine environments is so low, on a per capita basis is 187 out 195 countries.



ABOUT THE CANADIAN PLASTICS INDUSTRY ASSOCIATION

CPIA is a non-profit national plastics industry association representing Canada's plastics industry value chain from resin producers to brand owners using plastics. With over 2,600 companies employing 82,000 workers, Canada's \$24.3 billion plastics industry is a sophisticated, multi-faceted sector encompassing plastic products manufacturing, machinery, moulds, and resins. <u>https://www.plastics.ca/AboutCPIA</u>

Plastics manufacturing and use of plastics in a range of sectors make significant economic, social and environmental contributions in Canada and B.C. Benefits of using plastics include product light weighting, increased hygiene and cleanliness, decreased spoilage and food waste, durability, convenience and safety, among others. These benefits are realized in the many industries where plastics products are commonly used, such as packaging, construction/building development, automotive, aerospace, electronic equipment, and healthcare.

We look forward to the ongoing opportunity to work with Recycle BC and sharing our experience and knowledge of plastics recycling and recovery to achieve the challenging G7 domestic targets.

Sincerely,

Joseph P. Hruska

V.P. Sustainability

Craig Foster

BC Sustainability Consultant

Copy: Teresa Conner, BC Ministry of Environment

Teresa.Conner@gov.bc.ca



625 Howe Street, Suite 1430 Vancouver, British Columbia V6C 2T6

September 09, 2018

RecycleBC 230-171 Esplanade West North Vancouver, BC V7M 3J9 **Sent by email to: <u>consultation@recyclebc.ca</u>**

Re: Canadian Federation of Independent Business response to the Consultation on Phase II

Dear Consultation Committee:

CFIB is a non-profit, non-partisan business association with 110,000 members across Canada, including 10,000 in British Columbia. We are the largest organization in the country exclusively representing the interests of small and medium-sized enterprises (SMEs) to all levels of government. Today we write to express significant concern about the proposed expansion of Recycle BC's mandate

Multi-Materials BC (MMBC)

CFIB and many of its members have had a long and, at times, challenging history with Multi Materials BC (now Recycle BC). The initial roll out of the program caught most small business owners by surprise, was overly complicated to administer, and was full of unhelpful jargon. At that point, businesses became responsible for the paperwork and costs related to curbside recycling. Even worse, to comply business owners were responsible for calculating the amount of packaging and printed paper they distributed to consumers, and then the rate they would have to pay on said materials. In short, it was a red tape nightmare and a brand new operating cost for many business owners.

Despite the fact that thousands of small businesses were going to help pay and run the program, no one bothered to consult with small business owners before the "extended producer responsibility" legislation was passed in 2011. In fact, the program was designed by and for big businesses, not small. For example, none of the material produced to assist business understand and comply with their new responsibilities were geared towards small business. The materials were lengthy, complicated, and not developed with a typical business owner in mind. To illustrate this point, MMBC's "*A Guide to Help Businesses Meet Their Recycling Obligations in British Columbia*" was 93 pages, while the Membership Agreement was 14 pages. This is not the correct way to get buy-in from the small business community, who do not have the time to read through tomes of information to understand their obligations. In addition, there were no exemptions for

small business owners, whose realities are much different than large producers of recyclable materials.

All of this culminated in CFIB awarding MMBC our national **Paperweight Award** in 2014, for "making life even harder for small businesses through excessive rules and red tape."

Some positive changes at RecycleBC was the implementation of the small business exemptions and the introduction of the flat fee, both were appreciated by our members.

However, fast forward to today and it feels like the same mistakes are being made all over again. Despite the long list of problems with the introduction of the program, the proposed expansion is replicating them.

It is deeply disappointing that CFIB was not contacted to be part of this very short consultation period to provide the unique perspective of the small business community. In fact, since MMBC (now RecycleBC) was created we have not received any communication from the program to help inform our members. After the negative media attention the program received for its epically poor

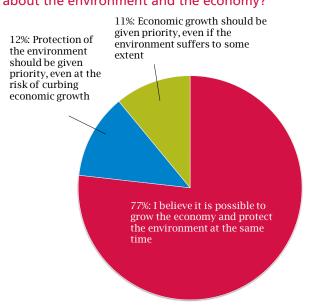
initial roll-out, CFIB hoped best practices for any future consultation would be put in place. Unfortunately, it was only through communication with other organizations that CFIB found out about these significant proposed program changes which could have a big impact on many small business owners.

Like most British Columbians, business owners care about the environment and support initiatives that help protect it. A strong majority (77 per cent) believe it is possible to simultaneously grow the economy and protect the environment (see Figure 1). Ensuring BC residents and businesses have input to help find the right balance is crucial. It is equally important to estimate the economic cost of any programs.

It is imperative that government, and by association any organization they have given the power to act on their behalf, must ensure proper analysis is conducted and publicly released before any significant policy changes occur.

Figure 1

Which of the following statements best describes your own point of view about the environment and the economy?



Source: BC Environmental Consultation survey, March 2016, n=482

CFIB finds it baffling that the Ministry of Environment and Recycle BC are moving to expand the agency's current mandate with little advance notice and consultation. It is especially disappointing as the current government, while sitting in opposition, agreed with many of the issues CFIB originally identified with MMBC.

Then opposition spokesperson for the Environment and now Minister of Agriculture, Lana Popham, went as far as to ask for the Auditor General to review the initiative. The petition for the review can still be found online at: www.tinyurl.com/auditmmbc.

Furthermore, CFIB asked all party leaders during the last election if they would review MMBC and the <u>NDP committed to a full review</u> <u>of RecycleBC</u>. Their responses to our election questionnaire on the issue was as follow: Q: "Multi-Materials BC has had a negative impact on many businesses in BC. Will you commit to an independent review of MMBC and the former program through a lens of the economy, the environment, and competitiveness?"

A: Yes, we will do an independent review of MMBC. BC NDP MLA Lana Popham has been a major critic of MMBC and the Recycling Regulation that created it. She called it a "Godzilla-sized red tape monster" and asked the B.C. Auditor General to audit the organization, only to find out that the B.C. Liberals had set it up to be immune to government audit. We'll change that. We will launch an independent review to make sure it's working for B.C. busin



Today I launched an online petition calling for the Auditor General to review Multi Material BC. I'm taking this action because I believe the BC government has botched its overhaul of the recycling sector in BC. BC recycling businesses are worried about their livelihoods, Syntal on Vancouver Island has been forced to shut down, cities like Richmond are crying foul, BC businesses want accountability, the agriculture sector and others are being hit with excessive fees, and consumers will most likely be paying more, while in many cases recycling less. The BC government has created a scheme that empowers MMBC to use regulatory powers to demand fees from businesses but allows it to avoid public accountability for how those funds are used. MMBC is empowered by the Ministry of Environment to compel businesses

to pay 100 million dollars annually but it is not accountable for how those funds are spent under the 'Budget Transparency and Accountability Act', or the 'Financial Administration Act'.

I'm a strong proponent of recycling, I have been all my life, and that is why I'm so concerned about what they are doing to the sector. MMBC is not using a life-cycle analysis of recyclables. It is not addressing the environmental concerns which underpin the demand for recycling in the first place.

That is why I am asking people to join me in requesting the BC government to direct the Auditor General to initiate a full review of MMBC.

The petition is at: http://tinyurl.com/auditmmbc.

Thank-you for your attention and please feel free to share.

review to make sure it's working for B.C. businesses and consumers, and to ensure that it's transparent, accountable, and cost effective.

Based on these facts, it is CFIB's opinion that Recycle BC, despite its rebranding, should not be granted additional responsibilities until this independent review has been conducted.

Expansion of Recycle BC's mandate

Undertaking the proposed change to include more items in Recycle BC's mandate is premature. This expansion of scope comes only months after the Government expanded the scope (without prior consultation) of paper products in fall 2017 and is being proposed through a plan amendment rather than regulatory change by government. In addition, without direction from and harmonization with the federal government that has indicated they will be undertaking **similar** measures, this initiative is premature and will put BC businesses at a competitive disadvantage. If

any changes are made, they should be done with federal cooperation to ensure BC business owners do not need to follow multiple sets of rules.

From the consultation paper, it does not seem that Recycle BC is ready to begin implementing an expanded program, such as broadening the scope of obligated material to include:

- ▶ aluminum pie plates,
- ▶ aluminum foil,
- plastic or paper-based beverage cups,
- ▶ kraft paper bags,
- re-sealable plastic bags, or

Single-use plastic items such as:

- ▶ plastic cutlery,
- ▶ plates,
- straws, and
- ► stir sticks.

It is noted in the proposed plan that the reference to "packaging-like product" and "single-use plastic items" above provides examples of obligated products and is meant to be illustrative. Upon approval, Recycle BC has said it will provide stewards and service providers with guidance on the scope of this category. This needs to be much more concretely spelled out in advance of any changes. Producers of materials need time to adopt, and it is unclear what precisely will be included at this time.

There is a strong concern from CFIB's view that with an expansion of scope, small business owners will have a sudden and unexpected cost increase. This will be particularly challenging in the current policy framework, where their costs are going up from the minimum wage increase, a new employers' health tax, carbon tax increases, CPP increases, soaring property taxes and host of other new costs being foisted on them. In fact, it is alarming that nowhere in the consultation document are fees discussed.

CFIB notes that Recycle BC has a significant annual operating surplus (\$11,651,715 in 2017) and is sitting on a large amount of net assets (\$63,291,251 in 2017). If the proposed changes do in fact occur, there will likely be strong resistance towards increasing fees. Rather, Recycle BC should use its current financial position to accommodate cost increases, and find efficiencies to reduce the need to hike fees.

At this time, it is CFIB's assessment this consultation does not suffice as adequate discussion on broadening producer responsibility to include new items, and this expansion be placed on hold until proper consultation and clearer information on the cost of the program to producers is provided.

RecycleBC: Sufficient efficiency?

Analysis of Recycle BC's annual data from 2014 to 2017 shows the organization does not, in fact, appear to be operating efficiently. This is one of the many reasons why CFIB believes the current consultation is not adequate, and a full review of the organization should be conducted. In conjunction to this letter, you will also find a research snapshot supporting the following arguments.

Despite the fact the organization has grown in terms of revenues, households served, and tonnes of product collected since 2014, the recovery rate has actually decreased. Sitting at 80% for 2014, the recovery rate has since declined to 75% as of 2017.

To increase the program's recovery rate beyond the current 75% will require RecycleBC expand accessibility and continually seek opportunities to increase the quantity of materials collected in the system. These initiatives require careful planning and implementation efforts before improved program performance can be realized. This is why CFIB strongly believes a longer-term consultation is necessary, with greater involvement from *all* stakeholders. This is especially important with consideration to RecycleBC's recent questionable use of resources.

In 2017, the organization spent \$1,824,395 on advertising costs. Most worrying, despite spending a large amount of money on promotional and educational materials, there were only 2,097 new households participating in the program that year. This means the customer acquisition cost for 2017 was \$824 per person.

It is simply unsustainable and unaffordable for Recycle BC to continue spending significant monies on advertising while seeing little results. This is especially true when considering that the monies being spent are at a significant cost to employers. **CFIB strongly believes an independent review of Recycle BC must be conducted, or at minimum, the current consultation be expanded.**

Final Comments

Thank you for taking the time to consider the views of small business owners in British Columbia on the issue of Recycle BC. CFIB understand the importance of establishing a provincial recycling program that benefits society as a whole; to achieve this goal, CFIB believes there is still much work to be done. With that in mind we recommend the following:

- 1. An independent review of Recycle BC as promised by the government must take place before any expansion is allowed
- 2. Proper consultation with a full detailed plan is a must before moving forward

- 3. A standard definition of compostable packaging must be clearly defined to allow producers to adapt and to streamline standards
- 4. Direction should come from government and not as an amendment to the plan to ensure that the interest of all taxpayers is considered and not just the interest of Recycle BC
- 5. If changes are made, consultation should be had with small business to the impact and at what levels the exemptions should apply.

CFIB still feels it is unfortunate that Recycle BC is not accountable to any government agency, appointed official, elected official (provincial or municipal) or any other government body. Moneys collected are not part of public accounts, nor are they subject to oversight by the Auditor General of BC.

In addition; Recycle BC is able to function on behalf of taxpayers, in this case business owners, without the ability to access information through the Freedom of Information Act. This means we are completely dependent on whatever information RecycleBC choose to disclose through their annual reports.

We would welcome a meeting to further discuss our position and allow an opportunity for Recycle BC to provide more detailed information that we can share with our membership. Please do not hesitate to reach out with any further questions or comments.

Sincerely,

Stonard

Richard Truscott Vice-President, British Columbia and Alberta

Samantha Howard Director, British Columbia, Yukon and NWT

- CC: Honourable John Horgan, Premier of BC
- CC: Honourable Bruce Ralston, Minister of Jobs, Trade and Technology
- CC: Honourable George Heyman, Minister of Environment and Climate Change
- CC: Honourable Lana Popham, Minister of Agriculture



recyclecartons.ca - ifaucher@recyclecartons.ca

Thursday, September 6th 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Sent Via email to CONSULTATION@RECYCLEBC.CA

To Whom It May Concern:

Thank you for the opportunity to submit comments on Recycle BC's updated Packaging and Paper Product Extended Producer Responsibility Plan, release this past July.

Generally speaking, CCC supports the updated proposed plan, with one notable exception pertaining to program performance reporting.

As you know, the mission of the Carton Council of Canada is to deliver long-term collaborative solutions with multiple stakeholders in the value-chain in order to divert cartons from disposal. In order to measure our progress, we rely on the publicly available information provided by the deposit and multi-material stewardship agencies in each Canadian jurisdiction. In the case of British Colombia, we had hoped to see a notable increase in the recovery of dairy and dairy substitute cartons in particular, which were previously collected under the voluntary program run by the Dairy Council of BC and achieving a recovery rate of about 16%.

We put forward our request for material-specific recovery rate information at Recycle BC's one-year anniversary mark, and conveyed it via our participation in Recycle BC's two-day consultation held in November, 2017. It is also captured in the Consultation Report published February 28th 2018¹, and in comments we submitted on the initial plan (Phase 1 consultation), released in March, 2018.

RecycleBC's lack of transparency on material-specific recovery rates is difficult to understand, given that: i) other stewardship agencies across the country (Stewardship Ontario, MMSM, and EEQ) make this information public; ii) Recycle BC relies on this information to set material-specific fee rates via

Follow us on Linked in for news and information about carton recycling and our activities.









¹ As indicated on p. 7 of the report, under the heading Packaging Design & Recovery Rates: "Please provide recovery rates by material (relative % and absolute tonnes). PPP stewardship programs in other provinces publish this annually and use it to calculate material-specific fees. This information would allow us to measure our progress in BC and allow members to report out against the targets they have set, while equipping them with information to address consumer inquiries". This statement received **several votes of agreement at the consultation session and it was identified as a** repeated comment and/or submission.



the Pay-In-Model; and iii) Recycle BC now has five years of operational experience in hand, and should therefore be in a position to effectively track this metric.

In addition to the material-specific recovery rates, the quantity of each material category supplied by producers into BC should be made available.

Recycle BC's announcement that, under the revised Program Plan, it will begin by providing recovery rates for paper, plastic, metal, glass, rigid and flexible plastics, is a step in the right direction. However, it is not sufficient to enable vested stakeholders such as ourselves, to understand their current diversion performance and to work towards continuous improvement. To this effect, we strongly encourage Recycle BC to begin publishing the information it uses to set fees.

In closing, CCC commends Recycle BC for the quality of the consultation process that it has led to date, and we look forward to continuing the work to advance the important issue of transparency and data accessibility.

Regards,

Isalelle Janhur

Isabelle Faucher Managing Director, Carton Council of Canada



September 5, 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Via email: consultation@recyclebc.ca

Dear Sir/Madam,

Re: Recycle BC Consultation on Revised Program Plan – Phase II and the Proposed Packaging and Paper Product Extended Producer Responsibility Plan

Premier Tech Home & Garden (PTHG) is the leading Canadian manufacturer of lawn and garden products and a steward in post-consumer paper/packaging and household hazardous waste programs across Canada. PTHG is pleased to provide comments on the Recycle BC Consultation on Revised Program Plan – Phase II and the proposed Packaging and Paper Product Extended Producer Responsibility Plan

Packaging and Paper Product Program Delivery Principles and Focus

PTHG supports the four delivery principles as outlined in both the current and the proposed amended program. However, we believe the importance of economic considerations in the program's efficiency should be acknowledged in the principles as well. Over time, developing incremental program performance improvements and measurable environmental benefit may become economically challenging. Program plans should be formed and amended in a responsible manner, and consider economic sustainability for producers, who are 100% financially responsible for this program. Business decisions of individual producers should not be constrained, provided they meet their regulatory obligations and comply with the conditions of their Membership Agreement. However, the activities of Recycle BC, including any contracted services, should be guided by the pollution prevention hierarchy and the program principles, including economic sustainability.

Recommendation:

- 1) PTHG suggests incorporating the principle of economic sustainability into the program principles.
- 2) PTHG suggests the 5-point focus found in Part 1 Revised Program Plan Context, should also include an economic analysis in prioritization and implementation.

Communications

As markets for recovered recyclable material feedstock close or become more restrictive, the participation of all stakeholders in improving the quality of the feedstock is paramount to the success of local, provincial and national waste management programs. China has virtually banned the import of recyclable materials by significantly reducing the maximum contamination rate. Thailand has recently announced restrictions on imported electronic and electrical waste and has plans to follow the lead of China for other recyclable materials. Other countries are also considering similar action.



A successful waste management program supports a circular economy by providing valuable and marketable materials. Recycling and sorting capabilities and technologies can vary within different communities, making it important for residents to understand the important role they play in ensuring that after making efforts to reduce and reuse wherever possible, recyclable materials are prepared and sorted properly. Given the success of paper and paper products recovery, it could be assumed that residents are supportive of recycling programs and that communication has been successful in that respect. However, if plastic recovery is creating challenges and confusion resulting in contamination and lower recovery rates, unique focussed messaging and approaches might be needed.

Recommendation:

1) PTHG supports targeted consumer P&E campaigns as part of the program's intervention, focussed on improving plastics recovery rates.

Streetscape

As noted during the consultation and in the reports resulting from the streetscape pilot projects, recovery of recyclable materials from streetscape collection has many challenges such as contamination caused by incorrect sorting and materials soiled by liquids. Sorting in the pilot project did improve with time and performance similarities between streetscape and residential collection streams were also observed:

- The amount of residual packaging, paper and organics deposited in garbage bins was similar to that observed in single-family collection programs.
- Printed paper materials were the most correctly sorted by passersby as is the case in residential collections.

The most recent pilot project, 2016/2017 has been completed. Its outcomes and those of the previous pilot could indicate that there is an opportunity for improving recycling in streetscape collection programs in the future, through residential communication plans. However, we would like greater clarification on the application of extended producer responsibility for the program.

Recommendation:

- 1) PTHG would like to suggest that the following be considered in streetscape waste collection and any recyclable material diversion pilots or programs:
 - a) Gather information on the source/producers of waste found in streetscape collection. Given the nature of streetscape collection and similarities between some residential and Industrial, Commercial, and Institutional (IC&I) packaging and paper products, certain locations could contain waste originating in the IC&I sector. In this 100% EPR program, producers typically have the opportunity to evaluate and manage their packaging and paper products through business decision choices. However, in the case of streetscape collection, if producers are not the source of the waste, they do not have the ability to manage those materials or their costs.
 - b) Provide opportunities to discuss streetscape collection cost allocation within the current 4-step fee methodology.



c) Include an evaluation of the cost effectiveness of using streetscape waste collection as a means of recovering recyclables and prioritize streetscape collection in that respect.

Non-compliant Producers

The BC Ministry of Environment and Climate Change Strategy, Compliance Inspection Report, 2016, included compliance information for the *Recycling Regulations*. The compliance rate was high among the parties inspected. However, no information or estimate was available on the overall compliance of obligated producers with Part 2 – Extended Producer Responsibility Plans of the *Recycling Regulations*. Is this information along with an estimate of the economic impact on the program available?

Recommendation:

 PTHG asks that Recycle BC provide clarification regarding the extent of non-compliant producers, the extent of any resulting financial gap on the program, the amount of resources expended by Recycle BC on non-compliance activities, and the priority of any actions and the part of Recycle BC.

Canada Plastics Strategy

At the June 2018, G7 Summit meeting in Charlevoix, Quebec, Canada tabled a Plastics Charter. The Canadian Council of Ministers of the Environment has begun the process of developing the framework for a Canada Plastics Strategy, which is anticipated in 2019. The Canada Plastics Strategy will be developed in consultation with Canadian stakeholders, resulting in a Canadian perspective and approach to managing plastics' environmental impacts.

Recommendation:

1) PTHG recommends that the Recycle BC program and focus be based on producer obligation under the *Recycling Regulations*. The guidelines and direction of the Canada Plastics Strategy and timelines, rather than international actions, could be considered in the context of the program and producer obligation.

PTHG appreciates this opportunity to provide feedback on the proposed Packaging and Paper Product Extended Producer Responsibility Plan. As a producer, we would be interested in discussing opportunities to engage further in the core elements of the program on a regular basis. Should you have any questions or require clarification on any of the above or previous comments provided by PTHG, please feel free to contact me by phone, 905 814-7051 or e-mail, beas4@premiertech.com.

Regards,

Suzanno Beattie

Suzanne Beattie Regulatory Director

The Clorox Company of Canada Ltd. has been a registered steward under the Recycle BC program since the program's inception. Additionally, we have a long established history of supporting British Columbia municipalities since the early 1990's with the design and implementation of highly successful waste diversion strategies that include the utilization of the GLAD® "See Through" Blue Bag. Our Glad® brand is the category leader in the trash space and Glad® is Clorox Canada's largest revenue business, playing a critical role in supporting 377 direct and approximately 1,200 indirect Canadian jobs.

We have analyzed Recycle BC's draft proposed 5-year Packaging and Paper Product Extended Producer Responsibility (EPR) Plan (5 year plan) and we have the following serious concerns:

Expanding the Scope of PPP to "Packaging-Like" Product:

We are completely opposed to expansion of the definition of PPP to "packaging-like" products. The definition of PPP that stewards are obligated to pay for is very clear in the Environmental Management Act and it does not include "packaging-like" products. If the legislature changes the act to include this concept then the plan should address it. Until then, the plan should not include this expansion of the scope of our commitments.

It is important to understand consumer behavior to see why the cost-benefit of including "packaging-like" products doesn't compute. Re-sealable plastic bags are a perfect example. Our research shows that consumers primarily use re-sealable plastics bags for food storage. Recent studies show that 80% of consumers use these bags to store food in the freezer, and 57% use them to store left overs in the refrigerator, as well as bring food to school. This means that these bags are highly contaminated with food residues. Thus they are harder to recycle, less valuable and contributes to higher contamination rates in other materials (which in turn lowers diversion and reduces the value of PPP that is recycled). Expecting consumers to clean re-sealable bags prior to discarding them would require a massive change in consumer behavior and hasn't been successful in any jurisdictions that have tried collecting these materials that we know of.

If you look at other jurisdictions in Canada that have attempted to recycle re-sealable plastic bags there are additional complications. In Peel region in Ontario, consumers must cut the zipper off of the package before recycling and in Toronto they only accept "non-zipper" bags. Non-zippered products represent 8% of the total category. 92% of the category is zippered or slider bags that would require a consumer behavior change to remove the top of the bag prior to recycling. This is a big ask on the consumer considering that many don't even rinse out containers or understand what bin basic recyclables go into.

Finally, as illustrated above, re-sealable bags are used to keep food from spoiling. Food waste in landfills is recognized as an important source of methane, one of the most potent greenhouse gases. According to the FAO, if food waste could be represented as its own country it would rank third in greenhouse emissions behind China and the U.S. Why? In the decade that methane takes to decay to CO2 it warms the planet by 86 times as much as CO2, according to the Intergovernmental Panel on Climate Change. In Canada, 40% of food is wasted - 47% of it at the household level (by far the largest source), according to the University of Toronto. By declaring that this important tool in fighting food waste be subject to stewardship fees and

making it ultimately more costly for consumers, Recycle BC may be inadvertently hurting the environment more than helping it by discouraging food preservation. Understanding the potential impact of this proposal from an all-in environmental perspective before moving forward is critical.

Transition from "Single-use" Recycling Bag for Curbside Collection:

We reiterate our strong opposition to the proposed 18 month transition away from recycling bags and ask that this stipulation be struck from existing and future contracts between Recycle BC and its municipal partners.

As a steward competing in a highly-competitive industry facing a double digit cost increases to our stewardship fees in BC next year, we don't support the elimination of a curbside collection solution that has been shown by a recent York University study (attached) to beat carts and boxes on all-in cost, contamination rates, and the value of post-recyclable material, as well as perform better on diversion rates than carts and boxes alone.

Today, the current recycling model is under intense pressure from China's new stringent import quality requirements. In this context, the study points to a cost effective way to add surge capacity to existing curbside collection that will increase diversion and lower contamination today and, long-term, to a system that promises better diversion, contamination and value of post-recyclable materials for a lower all-in cost. China's National Sword initiative has changed the dynamic for end markets that the program has relied on for the recovery of approximately 20% of its costs. The demonstrated ability of none of the present cart, bag or blue box curbside collection strategies to hit the extremely low contamination rates being demanded by the Chinese, make the viability of this strategy suspect and the likelihood of additional cost increases a foregone conclusion.

Additionally, transitioning out of bags eliminates important sources of revenue for the very stewards that support your programs that sell either branded, as is our case, or private label blue recycling bags in the province. This business supports well-paying jobs for hard working Canadians, generates tax revenues at the local, provincial and federal level, as well as investments in manufacturing and R&D here in Canada.

Presently, communities across British Columbia including the District of Mission, Abbotsford, Chilliwack and Salmon Arm have implemented highly successful recycling collection programs that include the use of "see through" blue bags. From the comments submitted by these jurisdictions to Recycle BC as a part of this process, the option to use bags is popular with residents and municipal waste systems alike because they are scalable, easier to manage for disabled or elderly residents, resistant to wind and don't take up a lot of increasingly dear space in BC homes and garages as they can go directly from the kitchen to the curb. Residents in these communities should continue to have the option to use bags.

Even municipalities with cart-based systems have voiced the support for the use to bags for surge capacity. Why should recycled material end up in the trash when there is an easy option available to keep this material out of the landfill? Additionally, bags should be viewed as a

complement to blue boxes in communities where this approach is used as they can help solve wind and surge capacity issues, can go seamlessly from the kitchen to the curb and can help improve the quality of the recyclables in the boxes. Given the pressure on the current recycling model from China, elimination of a solution that is supported by residents and waste management authorities in the municipalities where they are used, only to substitute it for a less effective higher cost option is against the interests of Stewards and the communities that Recycle BC serves.

Recycle BC's proposed move to promote a blue box system as the preferred choice for curbside collection was preceded by a similar approach in Ontario in the 1990s and 2000s. B.C. can learn important lessons from their experience. Today, Ontario municipalities continue to wrestle with the limitations of blue box systems beyond their lack of all-in cost-competitiveness, specifically: litter issues caused by wind and limited scalability. Subsequently, Ontario is experiencing a resurgence of interest in evolving programs to enable residents to utilize see through blue bags to place recyclable contents curbside either with blue boxes or as a stand-alone. This past spring, the region of Halton, Ontario decided to allow residents to use recycling bags to collect and store their recycling materials for collection. Other jurisdictions across the country, like those in Atlantic Canada continue to expand curbside blue bag recycling programs.

In analyzing the processing side of the equation, separating a collection mechanism or tool (blue recycling bag) from waste (shopping bag) is critical. Any survey of MRF operations will show that the overwhelming majority of the bags getting wrapped around machinery are shopping bags and newspaper bags, not blue recycling bags. As such, blue recycling bags shouldn't be made the culprit for down time at municipal recycling facilities. Investments in bag breakers or additional sorting staff to better accommodate recycling bags will also help deal with the shopping bags (which are the real issue) and pale in comparison to the capital investments necessary to implement cart or blue bin programs. While there are challenges with all of the curbside collection mechanisms, bag breakers are being used successfully in municipalities throughout the country and we would be happy to connect you with MRF operators that are currently using them in their systems.

We thank you for the opportunity to provide our feedback and look forward to the opportunity to continue the dialogue with Recycle BC about this proposal.

Sincerely,

Mike Pilato General Manager The Clorox Company of Canada



4 September 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

By electronic mail

Dear Recycle BC,

As one of Canada's largest retailers, Costco Wholesale Canada Ltd. is committed to advancing the goals of the circular economy. In British Columbia, we are an active and enthusiastic participant in many stewardship programs, contributing millions of dollars to the responsible recycling of hundreds of products.

Thank you for the opportunity to provide comment on Recycle BC's revised Packaging and Paper Product (PPP) Extended Producer Responsibility (EPR) plan revised in July 2018. We supported the March 2018 draft of the Recycle BC stewardship plan. **However, because of the significant change in scope of products included, Costco opposes this new stewardship plan.**

Costco encourages Government and Recycle BC to remain patient and to focus on providing the best environmental results for British Columbians. It is our view that the continuous improvement model previously emphasized by Government will produce the best environmental outcomes with the least economic disruption.

Scope of Product Included in Plan

Recycle BC's new draft plan expands the scope of the product included in the plan. There has not been adequate consultation on this aspect – the vast majority of impacted stakeholders are unaware of the proposed change in scope.

It is not Costco's view that straws, stir-sticks and utensils are appropriate materials to include in a blue-box collection system where they are a contaminant: we think there are much more appropriate and effective ways of reducing or managing this waste.

Costco wants to ensure Recycle BC and Government fully understand the concern that this expansion has the potential to result in significant amount of public discourse similar to the question surrounding small business exemptions at the program's inception.

Further, we have significant concerns about Recycle BC's ability to manage some of the packaged products it proposes to obligate. Recycle BC has provided no information about how it proposes to manage newly obligated material and during a consultation session provided the answer that such a plan would be developed after plan approval. Costco urges that Government require Recycle BC to develop a collection and material-processing plan *before* any new material



is obligated. Costco notes that a very significant amount of the material Recycle BC proposes to obligate is managed through by the ICI sector's waste collection system. Other material is prevalent in the public space and therefore collection will probably be both more difficult and more costly and therefore other alternatives for managing this material may be preferable.

Government has an obligation to consider whether such a change in scope will be in the best economic and environmental interests of British Columbia. Costco would be pleased to take part in a consultation process and provide input to Government in respect of any proposal to change the scope of products obligated under the Recycling Regulation.

Managing Increases in Scope of Product Included

It is unacceptable that Recycle BC suggests that retailers should report on materials for 2018 for products they have only proposed adding in July 2018. This will cause significant cost and operational impact. In the case that Government decides to increase the scope of materials obligated, producers should only be required to report for the year beginning after plan approval and remit and report for the following year.

Transparency Surrounding Fee and Cost Increases

Costco is concerned that the dramatic expansion in product scope comes only 10 months after an earlier expansion in scope. That expansion, initiated by Government, came after no public consultation. It would be appropriate to know the impacts on Recycle BC revenue, expenses and collection rates resulting from last November's scope expansion before considering another expansion of scope.

Given that obligated producers, and therefore consumers, are already expecting a 50% increase in material fees in 2019, the addition of extensive additional material at this point significantly increases our concern.

It is in the *public interest* that rate-setting happen in the most transparent manner possible. We note with particular chagrin that Recycle BC plans to provide reporting breaking down collection rate by material type – even while it has not reported the volume of materials introduced into the market, or fees, by material type for the past 4 years.

Reporting

Breaking down the quantity of plastics by polymer and package type supplied into the residential market would dramatically increase the cost and operational complexity of the PPP program. Those costs are passed along to consumers and, therefore, this would reduce the affordability of goods purchased by consumers. Conversely, reporting fees and volumes remitted is much more straightforward as this information is supplied in reports and remittances by obligated producers and therefore Recycle BC only need aggregate the information.



The plan proposes to increase the amount of information reported on collection but is silent on the questions of: improving reporting on volumes of material Recycle BC's participants introduce into the market (by material type); reporting fees by material type; or, provide more detailed expense information to allow participants (and other stakeholders) more transparency of operational (including collector compensation), communications, management and board expenses.

In conclusion, Costco notes concerns about the collection of existing materials expressed by a wide range of other stakeholders. Our view is it would be more appropriate for Recycle BC to address those concerns **before** expanding their scope into other products. We note collection concerns specifically surrounding soft plastic, expanded polystyrene, plastic and multi-laminate tubes and flexible plastic packaging. Recycle BC has done some excellent preliminary work on collection of these materials – and on public space recycling – but has not provided a detailed plan on how to adequately address those gaps in the collection process.

Costco urges the regulator to proceed carefully and not to inadvertently cause consumer costs to dramatically increase, or the program to experience undue operational or financial risks.

Costco is deeply disappointed that we are unable to support Recycle BC's revised stewardship plan and *strongly* urge the Province to reject Recycle BC's revised stewardship plan.

Best Regards,

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Stu Campana Manager, Stewardship Programs Costco Wholesale Canada Ltd.



September 6, 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Via e-mail: consultation@recyclebc.ca

Dear Recycle BC team:

Re: Packaging and Paper Product Extended Producer Responsibility Plan Consultation

Scotts Canada Ltd. (Scotts) has been engaged in Provincial Waste Policy across Canada for many years. We thank Recycle BC for the opportunity to participate in this consultation.

ScottsMiracle-Gro is North America's leading marketer of branded consumer products for home, lawn, and garden care and serves both the retail and professional grower markets in Canada and the U.S. With a global investment in research, development, and innovation, in addition to industry leading stewardship initiatives and consumer education, Scotts Canada is committed to developing and enhancing lawn and garden care practices in Canada. Headquartered in Mississauga, Ontario, Scotts Canada provides lawn and garden enthusiasts with product choices and education that invite people to "Grow the World You Want™".

We take our role as environmental stewards very seriously and support efforts to ensure that products and packaging have proper end of life management. With this commitment, we also expect that laws, regulations, and programs should lead to true beneficial outcomes for the environment, and British Columbians, while also considering the financial health of the province and the businesses which operate within it. In that spirit, we offer the following comments concerning the proposed Program Plan.

As Recycle BC takes over and expands multi-residential collection, it bears highlighting that there are categories of products that are not typically used by consumers who reside in multi-residential homes. A perfect example is the lawn and garden category. Consumers in apartment complexes for example do not typically use the vast majority of lawn and garden fertilizers and pesticides, so the containers of these products would not need collection from multi-family dwellings. Based on Recycle BC's own principle that "obligated materials should bear a fair share of the costs", there needs to be a mechanism for ensuring these costs are not borne by stewards that do not benefit from them. This same argument also applies to PPP in public spaces and research that targets specific packaging (eg. Plastic bags).

With regards to development of communication and education, the plan is silent on including stewards. Stewards have a beneficial role to play as they have expertise in their packaging and often also in consumer behavior. We recommend that stewards be included in communication development so that their expertise can be leveraged.

Section 5.1 Managing Environmental Impacts speaks to 'a number of Recycle BC member producers [who] have made ambitious commitments to reduce their PPP footprint and are engaged in national and international discussions'. Recycle BC needs to be mindful of the business needs of all stewards not just a selective group. Not all stewards are necessarily in a position to influence packaging decisions, especially when packaging solution decisions are not made in Canada.

In Section 5.4 Reporting, a new activity – GHG performance is introduced. As a steward, Scotts Canada would be interested in the costs of the data tracking system and the standards that will

Scotts Canada Ltd.

2000 Argentia Road, Plaza 2, Suite 300, Mississauga, Ontario, Canada L5N 1V8 Tel: 905/814-7425 • Fax: 905/814-9077 • Website: www.scotts.ca



be used to ensure that there is consistency in reporting. Also, how will this information be used to drive improvement?

Scotts Canada supports the inclusion of program cost as a performance metric. Cost efficiency and improvement needs to be a key factor in maintaining the economic sustainability of programs.

We hope that Recycle BC finds these comments helpful in shaping the Program Plan. We appreciate the opportunity to be consulted and welcome further discussions on the program plan and transition. Please do not hesitate to contact me should you require further information related to Scotts products or comments.

Sincerely,

Deplenton Ľ

Karen Stephenson Director, Regulatory Affairs & Stakeholder Relations P: 905-814-2828 karen.stephenson@scotts.com

www.scotts.ca



Tamara Burns Executive Vice President, Western Operations Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 August 31, 2018

File No: 5380-01 Engineering Department

Dear Tamara Burns:

Re: Recycle BC EPR Plan – City of Chilliwack Feedback

The City of Chilliwack has reviewed the July 2018 Packaging and Paper Product Extended Producer Responsibility Plan prepared by Recycle BC. The inclusion of single-use items and additional recycling streams, as well as consideration of packaging and products that may be captured by compost programs, are welcome inclusions supported by the City.

As with previous drafts of the 2018 stewardship plan, there are still references to recovering energy from (currently) non-recyclable packaging products within the pollution prevention hierarchy. This continues to be a concern for the City due to the adverse effects that industrial emissions may have on air quality in the region. Regarding the other flexible plastic packaging pilot program, we are concerned about the impacts to the airshed as compared to the fuel sources it is purported to displace. We would recommend that any packaging material processed and sold as a refuse derived fuel be supported with documentation to demonstrate that it is more sustainable than the alternatives and, in particular, that its emissions do not reduce air quality. Please refer to the enclosed copy of the letter submitted on May 14, 2018 for previous comments regarding air quality concerns.

The City supports Recycle BC's inclusion of increased recovery targets and would recommend that a timeline or commitment to enrolling waitlisted depots and communities be included as a means to reach these targets. It is also recommended that "depots per capita" be incorporated as an accessibility indicator.

Thank you for the opportunity to provide feedback on the proposed stewardship plan. If you have any questions regarding the City of Chilliwack's response, please contact the undersigned at 604.793.2701 or tfriesen@chilliwack.com.

Sincerely,

Tara Friesen, P.Eng. Manager of Environmental Services

Enclosure

8550 Young Road Chilliwack, BC V2P 8A4 Phone: 604.792.9311 Fax: 604.795.8443 www.chilliwack.com



Allen Langdon Managing Director Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 May 14, 2018

File No: 5380-01 Engineering Department

Dear Mr. Langdon:

Re: Recycle BC EPR Plan – City of Chilliwack Feedback

The City of Chilliwack has reviewed the Packaging and Paper Product Extended Producer Responsibility Plan prepared by Recycle BC. The Plan content is fairly broad, so it is unclear if the concerns the City forwarded to Recycle BC in response to your consultation program last fall have been addressed.

The Plan still includes reference to recovering energy from the product within the pollution prevention hierarchy, which continues to be a concern for the City. We would like to take this opportunity to reiterate our concerns about air emissions. Please refer to the enclosed copy of the letter submitted on December 13, 2017 for details.

Our understanding is that there will be an opportunity for municipalities to review and comment on proposed revisions to the collector and depot operator agreements, and we hope the concerns that we raised in our December 13, 2017 letter are taken into consideration when those agreements are amended.

If you have any questions regarding the City of Chilliwack's feedback, please contact the undersigned at 604.793.2701 or <u>tfriesen@chilliwack.com</u>.

Sincerely,

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Tara Friesen, P.Eng. Manager of Environmental Services

Enclosure

8550 Young Road Chilliwack, BC V2P 8A4 Phone: 604.792.9311 Fax: 604.795.8443 www.chilliwack.com



Allen Langdon Managing Director Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 December 13, 2017

File No: 5380-01 Engineering Department

Dear Mr. Langdon:

Re: Recycle BC Consultation – City of Chilliwack Feedback

The City of Chilliwack has reviewed the changes proposed by Recycle BC and has concerns with a number of the proposed changes, as summarized below:

Cingle Lice Dags	The use of simple use have for such side as welching to the
Single-Use Bags	 The use of single-use bags for curbside recyclables should be discouraged but not prohibited. Many residents prefer to use blue bags (e.g. easier in windy conditions) and prohibiting their use may discourage participation in the program.
Other Flexible Plastic Packaging	 Pilot studies should be used to confirm recycling viability before adding new materials to the program to avoid materials being unnecessarily marketed as alternative fuel. Recycle BC should ensure no net increase in air emissions related to alternative fuel. The City of Chilliwack is very concerned about air quality in the sensitive, confined, Lower Fraser Valley Airshed. Given the processing challenges posed by certain types of packaging, Recycle BC and the Ministry of Environment should place more effort on trying to limit the use of unrecyclable packaging materials, either through disincentives or regulatory measures. For example, Recycle BC could charge producers a higher levy if they select packaging that is unrecyclable or is very difficult to recycle.
Recycling Depots	 A standard should be established to ensure residents from all communities have fair and equitable access to Recycle BC supported depots. There are only two Recycle BC depots in Chilliwack and the City has been bearing the expense of operating two additional depots to handle the local demand. Our depot operating costs increased from \$200,000/year to \$340,000/year due to the Recycle BC program because we had to expand the depots to include foam packaging and separated glass and film plastic. Depot financial incentives should be consistent regardless of whether the depots are owned/operated by local government or the private sector. It is not reasonable to eliminate compensation for fibres and plastic containers at government depots. Even residents with curbside recycling service require depots from time to time (e.g. Christmas holidays, moving, etc.) and many residents in multi-family dwellings do not receive collection through Recycle BC. The depots would not be economically viable without compensation for fibres and plastic containers.

If you have any questions regarding the City of Chilliwack's feedback, please contact the undersigned at 604.793.2701 or <u>tfriesen@chilliwack.com</u>.

Sincerely,

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Tara Friesen, P.Eng. Manager of Environmental Services



September 5, 2018

Tamara Burns, Vice-President, Supply Chain Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 VIA EMAIL: consultation@recyclebc.ca

Dear Mrs. Burns:

RE: Recycle BC Revised Program Plan July 2018 - City of Vancouver Submission

Thank you for the opportunity to provide feedback on the July 2018 version of Recycle BC's draft Packaging and Paper Product Extended Producer Responsibility Plan. With the modifications made in this revised version, Recycle BC has shown it takes consultation seriously and is open to improvements. We agree with comments provided by Metro Vancouver staff, and have provided some additional comments in this letter.

Single-Use Items

We applaud the changes to Recycle BC's plan to support the G7 Plastics Charter, especially broadening the scope of obligated materials to include packaging-like products and single-use plastic items. As you know, Vancouver City Council approved a Single-Use Item Reduction Strategy in June 2018 for plastic and paper bags, disposable cups, take-out containers, utensils and straws. We look forward to partnering with Recycle BC on common areas of interest, such as:

- Researching solutions for compostable single-use items and packaging, including collection systems and end-markets;
- Collaborating with producers to expand extended producer responsibility (EPR) to compostable single-use items, as well as single-use items generated by the industrial, commercial and institutional (ICI) sector;
- Education and behavior change programs aimed at reduction and reuse;
- Cup, container and bag exchange programs; and
- Establishing targets and key performance indicators to reinforce the reduction, reuse, and recycling of single-use items specifically.

Reduction and Reuse

Vancouver City Council also recently adopted Zero Waste 2040, a strategic plan with a goal of achieving zero waste to landfill or incinerator by the year 2040. Recognizing that we can't recycle our way to zero waste, the strategy also aims to maximize efforts at the highest levels of the waste hierarchy.



This approach is mirrored in the Recycling Regulation, which requires producers to manage their designated products according to the order of preference in the pollution prevention hierarchy as defined in the regulation. This means one level of the hierarchy should not be undertaken until all feasible opportunities at a higher level have been taken. Unfortunately, Recycle BC's plan still does not address the higher levels of the hierarchy—redesign, elimination, reduction and reuse—and instead focuses on the lower levels of recycling and energy recovery. While we recognize that Recycle BC acts as an agent of the Stewards, we see a role for Recycle BC in working with the Stewards around changes to packaging protocols to reduce generation and ensure that the remainder can be recovered. Further changes are needed in the plan to include targets and actions that move packaging and paper products up the pollution prevention hierarchy.

Depot Incentives

We feel the compensation methodology detailed in Section 4.3.2 of the plan does not meet the Recycling Regulation requirement to adequately cover collection costs, or the requirement in the Ministry's guidance document, *Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution (April 24, 2018),* to provide a transparent methodology. The draft plan lists the range of variables that may be considered, but doesn't explain how these variables are used or weighted to calculate the incentives.

Currently there is a significant discrepancy between the average depot collection costs found in Recycle BC's cost study¹ (\$301/tonne, not including the cost of land) and the average incentive received by depots from Recycle BC (\$66/tonne in 2017 for the City of Vancouver). In response to complaints from depots about compensation for low density materials, Recycle BC has proposed rate increases for foam and film in 2019. However, even with these increased incentives, our anticipated depot revenues from Recycle BC will only increase to \$85/tonne. We will still have to subsidize the program by about \$216/tonne, or roughly \$389,000 each year.

Having participated in the Recycle BC cost study, provided written feedback on this issue, and raised it during the consultation in person and online, we are now left without an explanation on the gap between cost and revenue, and no further option to negotiate higher financial incentives within the methodology presented in Section 4.3.2.

Streetscape Incentives

We are pleased to see that Recycle BC has made a commitment to consult on a financial offering for streetscape collection and recycling services by mid-2019, and we would be willing to discuss with you our experience with the true cost to deliver this type of service. If after releasing the financial incentives a local government declines the offer by Recycle BC to provide streetscape services, we believe that municipalities should be provided with the option for Recycle BC to provide for the collection, recycling services, public education, promotion and be first point of contact for streetscape collections. If this pathway is not contracted by, or directly managed by Recycle BC, then it should be tracked as unmanaged product and the quantities of printed paper and packaging (PPP) reported within the annual report as having been managed outside of the stewardship program.

¹ Packaging and Paper Product Collection Costs, Five Year Cost Study Refresh by Glen Williams Accounting (May, 2018) Accessed Aug 31, 2018: https://recyclebc.ca/wp-content/uploads/2018/06/PPP-Collection-Costs_Five-Year-Cost-Study-Refresh.pdf.

Education and Awareness

Contamination in material streams is an expensive operational challenge for Recycle BC, which could be improved through a greater level of understanding by residents of how to properly sort and recycle. A consumer awareness target that seeks to measure how well residents can identify program materials vs non-program materials and to sort them properly would be an effective awareness metric. Web-based tools (sorting games) already in use by some organizations could be utilized to support inclusion of this metric within Recycle BCs plan.

We recognize that China's restrictions on recycling commodity markets has created a strain on global markets, and that Recycle BC is doing everything it can to avoid a reduction to the 'basket of goods' currently accepted for collection within their program. You have shown great ingenuity in being able to expand your accepted materials over the first few years of operation. However, if as a result of market conditions Recycle BC is forced to remove packaging types from the 'basket of goods' currently accepted in curbside, multi-family or depot collection streams, we feel Recycle BC should be responsible to conduct the education and awareness campaigns of the change to all BC residents. This will offer a balanced approach to education and awareness spending between municipalities and Recycle BC.

We are pleased to continue to work as a partner with Recycle BC on providing recycling services to our community members for PPP, and to work towards zero waste. Please do not hesitate to contact me for further discussion of any of these matters.

Yours truly,

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Albert Shamess Director, Zero Waste and Resource Recovery tel: 604.873.7300 e-mail: albert.shamess@vancouver.ca

cc: Teresa Conner, Senior Policy Advisor, Environmental Standards Branch, Ministry of Environment and Climate Change Strategy

Paul Henderson, General Manager, Solid Waste Services, Metro Vancouver

Metro Vancouver's Regional Engineering Advisory Committee (REAC) and Regional Engineers Solid Waste Sub-Committee members



Engineering and Public Works Department

#1 Centennial Square Victoria British Columbia V8W 1P6

Tel: 250-361-0300 Fax: 250-361-0311

www.victoria.ca

September 6, 2018

Tamara Burns VP Supply Chain, Recycle BC 220 – 171 Esplanade Way North Vancouver, BC V7M 3J9

Dear Tamara Burns:

Re: Recycle BC Draft Program Plan

Thank you for the opportunity to provide feedback on Recycle BC's draft packaging and printed paper (PPP) extended producer responsibility plan. The purpose of this letter is to present City of Victoria staff feedback on various aspects of the proposed program plan. The City has set ambitious targets to manage waste sustainably and to reduce GHG emissions from waste operations - goals that align with the objectives of the proposed Recycle BC plan.

The City has recently adopted its *Climate Leadership Plan*, which identifies a central strategy to reduce overall waste generation as well as organics disposal, while realizing the economic and community benefits in the process. One of the goals of the City's *Official Community Plan* addresses the need for a more streamlined and efficient waste system and "to work with the Capital Regional District (CRD) and the private sector to develop and maintain a system that sorts the three streams of solid waste at the unit level, building level and in every neighbourhood including for recyclables, organic material and residual garbage." Additionally, the City's *Strategic Plan* states an outcome for the City to handle waste in a more responsible way, and to make garbage disposal less convenient than recycling.

The CRD has provided valuable regional comments in their letter dated December 15th, 2017 regarding proposed changes to the program through the consultation process. This letter outlines the City's commentary to achieve desired sustainability and waste reduction improvements.

MULTI-FAMILY HOUSEHOLD COLLECTION

On Page 12 of the plan it states: "Recycle BC will review multi-family household participation levels annually in relation to its annual recovery target and accessibility performance objectives and expand multi-family service to BC residents by extending financial incentive offers to qualified multi-family collectors each year." Between 2007 and 2017, Victoria's population increased by 9.9 percent with the majority of the increased population living in newly constructed multi-family residences. As part of Recycle BC's plan for continuous improvement in all recycling levels and to take into account the increased growth and projected trend toward further development of multi-family residences, Victoria recommends that Recycle BC include a separate and specific multi-family collection target to better address the gaps in materials collected from this sector.

SINGLE USE ITEMS AND POLLUTION PREVENTION HIERARCHY

The proposed plan will increase scope of materials covered to include single use items that go with containers (e.g. utensils), and packaging-like products (e.g. pie plates and Ziploc bags), however the plan does not include targets to reduce single use items and the focus is primarily on recovery and recycling. Victoria recommends that Recycle BC maintain a more significant focus on higher-order avoidance and reduction initiatives (on the hierarchy of waste management). This attention would include ambitious programs to reduce packaging and the City further requests Recycle BC inform stakeholders how they are working with producers to significantly reduce or avoid packaging overall.

STREETSCAPE RECYCLING

On page 14 of the plan it states: "Recycle BC will continue to perform further research through streetscape collection projects to determine alternate approaches to streetscape collection. Recycle BC will consult on program design and financial offering if they find a suitable model and if streetscape programs are implemented, would offer financial incentive to local governments to collect materials within certain criteria." Clarifying this commitment with action information and timings would provide clarity for City of Victoria staff to plan complimentary strategic and operational initiatives to reduce waste in the public realm. As a result, Victoria requests that additional details regarding Recycle BC's research plans including a timeline for implementing streetscape recycling programs to increase diversion.

COMPOSTABLE PACKAGING

The plan indicates that Recycle BC does not intend to include compostable packaging in their portfolio of PPP, but that it may rather only report on work at the local level to reduce compostable packaging as part of the kitchen scrap program. Given the rising rate of compostable packaging in the marketplace and the provision in the Provincial Recycling Regulation requiring industry to develop and manage stewardship programs for their products, Victoria recommends that Recycle BC include compostable packaging as part of the PPP programs, and consider initiatives that would facilitate sustainable processing of end-of-life compostable packaging.

GHG REPORTING

Recycle BC appears to be reporting on program performance at the provincial level and not reporting for each individual region. The City acknowledges the importance of suitable, accurate measuring and monitoring to inform more sustainable behaviour and consumption patterns. Victoria recommends that Recycle BC collect and disclose regional and local data to help inform local government climate action.

CONCLUDING COMMENTS

City of Victoria staff would like to commend Recycle BC on its comprehensive PPP extended producer responsibility plan. This plan will help to improve recycling efficiencies and raise awareness around more sustainable packaging production. Should you have any questions related to this submission, please do not hesitate to contact me at fwork@victoria.ca.

Thank you for considering our input.

Sincerel Fraser Work

Director of Engineering and Public Works

c. Assistant Director Public Works Assistant Director Engineering, Manager Waste Management, Manager Sustainability Chloe Boyle Environmental Technologist I Cowichan Valley Regional District

RE: Recycle BC Revised Program Plan – Phase II Feedback

- Recycle BC needs to assume financial responsibility for all costs associated with collecting Packaging and Printed Paper (PPP). Currently, the incentives provided by Recycle BC are not sufficient to cover the true cost of collecting material at curbside and at depots, and transporting the material to processing facility. Neither do the incentives cover the costs associated with large-scale contamination reduction campaigns. Recycle BC states in the Program Plan that the incentives for different materials are different because of the "unique characteristics" associated with each material type. Similarly, regions throughout British Columbia have unique characteristics in terms of challenges and opportunities for collecting PPP. Recycle BC funding should reflect the true cost of collecting material.
- 2. **Producers and consumers need to be paying more to cover the costs of recycling PPP.** With the China Ban, the market for recycled material is has diminished. To cover the lost funding associated with recycling, and ensure that recycling material is viable in the future, producers of hard to recycle PPP and consumers need to be paying more.
- 3. Recycle BC needs to provide more support for communication and education. Contamination is a threat to PPP recycling, and the current education and communications support provided by Recycle BC is not effective at reducing contamination. Current campaigns and promotional material developed by Recycle BC are focused on multi-stream recycling, and not on Province-wide recycling programs. The educational materials are very basic in nature, and even sometimes promote confusion and contamination through inadequate distinction between depot-only and curbside accepted PPP. Current funding for education does not cover the costs associated with large scale contamination reduction campaigns including curbside recycling audits.
- 4. Recycle BC needs to deliver a comprehensive plan for redesign of materials and incentivize the use of PPP made from recycled materials. Currently the program plan states that individual producers are working towards designing materials that are easier to recycle. Recycle BC needs a comprehensive plan to ensure that all producers of material are working towards recyclable materials, which could include facilitating the sharing of best practices in material production. Recycle BC needs to incentivize the use of PPP made from recycled materials, effectively closing the recycling loop and driving innovation in packaging design.
- 5. Recycle BC needs to deliver a comprehensive plan for reduction and reuse of PPP. Recycle BC stated that in particular plastic and marine plastics have become a global issue. Recycle BC needs a comprehensive plan focussing on the entire pollution prevention hierarchy, including targets for reducing highly contaminating PPP. Now that Recycle BC will cover single-use plastic items like straws, and plastic-like packaging, Recycle BC should develop targets for reducing the use of items like plastic bags and straws.
- 6. Recycle BC needs a more detailed plan to address issues of 'biodegradable' and 'compostable' packaging which contaminate both plastics recycling and organics composting streams. The standards and certifications, along with terminology, associated

with biodegradable and compostable packaging are confusing to residents. Recycle BC should work closely with producers and certifiers to address inconsistent standards. If the material is not recoverable from these items, Recycle BC should work with these producers to develop new materials, such as with the other flexible plastic packaging research and development project.

- 7. Recycle BC needs to expand to cover PPP from the ICI sector. The current program uses a recovery statistic based only on the program participants, which does not reflect the true quantity of PPP being produced and recycled. Recycle BC should cover all PPP that is produced or enters into the Province of BC.
- 8. Recycle BC needs to take initiative on establishing return-to-retail drop off locations for PPP. The London Drugs partnership was very successful, but Recycle BC should not wait until more big box businesses contact Recycle BC to establish residential drop-off locations. Recycle BC should take active steps to reach out to large distributors of PPP material, to make it as easy as possible for residents to drop-off PPP. The more options residents have for recycling, and the more residents are reminded of recycling, the more material will be captured effectively.

August 13, 2018



DISTRICT OF KITIMAT 270 City Centre Kitimat, British Columbia Canada V8C 2H7

Phone 250.632.8900 Fax 250.632.4995 www.kitimat.ca

To whom it may concern,

Recycle BC Consultation

230-171 Esplanade West

North Vancouver, BC

V7M 3J9

Re: Consultation on Revised Program Plan

At the Regular meeting of council held August 7, 2018, the District of Kitimat municipal council resolved:

"THAT a response be forwarded to Recycle BC's consultation plan indicating support for:

- (a) Improved curb side collections for local governments,
- (b) Expansion of multi-family collection options,
- (c) Depot network expansion to address underserviced regional districts and remote communities, with rural communities drive time limited to 30 minutes,
- (d) Potential channels for streetscape collection, and
- (e) Assess compostable packaging

For further clarification on (C), we are requesting 30 minutes based on definition of rural. For the District of Kitimat, our municipality is an incorporated local government of over 8,000 and if we are considered rural; a 45-minute drive to the nearest depot is not reasonable.

Respectfully,

Warren Waycheshen Chief Administrative Officer

From: Barry Azevedo, Manager of Environmental Services | <u>bazevedo@mission.ca</u>

18 July 2018

In addition to the comments already noted regarding recyclable products and ICI recycling not being included in the Recycle BC program and the opportunity for Recycle BC and the Province to include this to significantly increase collection and meet plastics recovery goals, I would also like to add that Recycle BC currently does not allow private haulers that service residential units (both multi-family and single-family) to drop off collected recycling for free at appropriate Recycle BC facilities. Instead this residential recycling is directed to MRFs outside of the Recycle BC program where they have to pay a tipping fee. If this residential recycling was included, it would help Recycle BC and the Province to meet its targets. Why would Recycle BC not allow private haulers to drop-off residential recycling at appropriate Recycle BC facilities for free?

Thanks,

Barry

Barry Azevedo, P.Eng.

Manager of Environmental Services

Recyclable products (eg. Rubbermaid sandwich containers) and ICI recycling (eg. the blue box of office paper and yoghurt containers under an office worker'desk) should be included in the Recycle BC program. This material has the potential to significantly increase collection and meet plastics recovery goals. I appreciate that the Recycling Regulation does not currently require Recycle BC to collect ICI recycling, however, some of the material in the ICI recycling program are from workers who brought the packaging from home most likely as part of lunch and snacks and is therefore residential recycling which should be included in the Recycle BC program.

In addition, Recycle BC currently does not allow private haulers that service residential units (both multifamily and single-family) to drop off collected recycling for free at appropriate Recycle BC facilities except where the occasional private hauler has signed as a collector with Recycle BC. For the many private haulers that have not signed up with Recycle BC, this residential recycling is directed to MRFs outside of the Recycle BC program where they have to pay a tipping fee. If this residential recycling was included, it would help Recycle BC and the Province to meet its targets. Recycle BC should allow private haulers to drop-off residential recycling at appropriate Recycle BC facilities for free.

Thanks,

Barry

From: Jennifer Meier, District of Mission, Environmental Coordinator | imeier@mission.ca

Given the plastics crisis, is there any thought given to reducing the amount of packaging produced in the first place, i.e., implement source control, and what's the incentive to reduce for producers, if there is great effort being made in accommodating problem packaging, such as multi-laminates that are slated for WTE?

I may have missed this in the presentation, but are the increased recovery targets geared towards absolute numbers? As far as actual environmental benefit, increased diversion rates are only meaningful, if the actual amount of packaging disposed of is decreased. If we now decrease 22% of all consumer packaging produced, but for whatever reason, be it marketing, be it increased consumption, 150% more packaging is produced, we're no further ahead.

Copying the province on this feedback, as I think the above, while relevant to Recycle BC's plan, may require a larger context than consumer packaging, especially in light of the deteriorating plastics recycling situation.

Sincerely, Jennifer



Solid Waste Services Tel. 604.432.6442 Fax 604.451.6180

File: CR-24-03-EPR-12

SEP - 5 2018

Ms. Tamara Burns, Vice President Supply Chain Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 VIA EMAIL: consultation@recyclebc.ca

Dear Ms. Burns:

Re: Recycle BC Packaging and Paper Product EPR Plan (July 2018) – Metro Vancouver Submission

Thank you for the opportunity to provide comments on the draft (July 2018) Packaging and Paper Product Extended Producer Responsibility Plan. In particular, this Plan makes notable progress in developing new options to collect and recycle single-use items and packaging-like products, which may simplify the recycling experience for residents and will hopefully divert additional materials/products from disposal in the garbage. Metro Vancouver staff would like to submit the comments below as feedback on the Recycle BC Packaging and Paper Product (PPP) program. Member jurisdictions may also submit comments on behalf of their own communities.

Metro Vancouver staff comments:

- Public Realm Collection: Public realm recycling collection (i.e., streetscapes and parks) requires further clarity in the PPP Plan, for local governments to understand whether Recycle BC's proposed offer will meet the requirements of the Recycling Regulation. Recycle BC's PPP Plan identifies a number of key challenges (e.g., contamination and markets) to launching a full public realm recycling program at this time. If a public realm recycling program cannot be implemented due to current conditions, other potential options that Recycle BC may consider include: additional studies to improve sorting of materials to reduce contamination, funding contributions to municipal public realm litter collection or other similar measures.
- Master Services Agreement and Statements of Work: Recycle BC's overall financial offer for local government collectors is complex, and the new contractual documents involve modifications to market clearing prices, education and administrative top-ups, service level failure credits (i.e., financial penalties), and additional costs for implementing contamination remediation plans. Key implementation approaches, such as the methodology for producers paying the cost of managing obligated materials, should be included in the PPP Plan in order for 'efficient'/typical local government collectors to make informed decisions regarding the level of cost recovery provided by Recycle BC's incentives.

26592283

4730 Kingsway, Burnaby, BC, Canada V5H 0C6 | 604-432-6200 | metrovancouver.org

- Universality/Level Playing Field: Recycle BC's approach to depot expansion "to where existing community services are located (e.g. a primary shopping hub) in order to ensure any incremental depot location make meaningful contribution to collection volumes and to convenience without duplication of transportation and with minimal cannibalization of collection volumes from existing depots" does not provide a clear indication for when new collectors will be added. The language in the PPP Plan should be precise, and it should present clear and consistent procedures to 'onboard' collectors and depots which meet the Recycle BC collector criteria.
- Performance Measures: The July 2018 version of the PPP Plan makes significant progress, compared to the prior Plan, in establishing an overall target of 78% recovery rate, and timeline to achieve the target. In addition, material-based targets and timelines demonstrate additional progress. However, further transparency in the reporting of the overall recovery rate is required, so that stakeholders are clear which of the underlying trends are driving changes in the recovery rate. For example, as it is currently calculated, an increase in the recovery rate can be the result of both of the following underlying trends:
 - o Greater amounts of PPP collected
 - Greater amounts of contamination and garbage placed in to recycling containers.

We look forward to participating in upcoming discussions related to the PPP Plan. Please do not hesitate to contact me for further discussion on any of these matters.

Sincerely.

Paul Henderson, P.Eng. General Manager, Solid Waste Services

PH/AD/ah

Teresa Conner, Senior Policy Advisor, Environmental Services Branch, Ministry of Environment cc: Regional Engineers Advisory Committee and Regional Engineers Solid Waste Sub-Committee members



September 5th, 2018

DEAR RECYCLE BC

The qathet Regional District (formerly Powell River Regional District) is writing to extend support for the revised Packaging and Printed Product Extended Producer Responsibility Plan. A report was submitted to the Board (August 16th, 2018 – Motion carried unanimously) detailing some of the plan's improvements including expanding the scope of PPP, accessibility performance of curbside collection options, multi-family collection expansion, depot network expansion to address under-serviced Regional Districts and remote communities, increased access to First Nations, Streetscape recycling and research into compostable packaging. The report also highlighted the global plastics crisis and Recycle BC's role in helping Canada meet its 2018 plastics Charter objectives. The qathet Regional District supports the revisions to the draft plan designed to increase the plastics recovery rate and prevent leakage into the environment.

SINCERELY,

MIKE WALL Manager of Asset Management and Strategic initiatives

LET'S TALK TRASH Waste Reduction Educators

File No. 5360 04 29



August 22, 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9 Via Email: consultation@recyclebc.ca

To Whom It May Concern:

RE: Recycle BC Consultation on July 2018 Draft Program Plan

The Regional District of Kitimat-Stikine is pleased to submit this letter in response to the revised Packaging and Paper Product (PPP) Extended Producer Responsibility Plan prepared by Recycle BC and released in July 2018.

The primary changes to the draft issued in March 2018 pertain to an expanded scope of included materials and the introduction of material specific collection and recycling performance targets. While these are welcome additions to the plan, the concerns our Regional District has repeatedly raised since the original plan was made available remain outstanding. We are becoming increasingly frustrated by the exclusivity of the eligibility criteria for curbside collection programs and a lack of flexibility regarding bulk drop-off to Recycle BC depots from remote rural communities.

1. Eligibility for Curbside Collection Program - Financial incentive and post-collection services

The original stewardship plan, dated April 8, 2013, had minimal eligibility criteria for communities wishing to benefit from Recycle BC's financial incentive for curbside collection. The requirement was that a PPP and/or garbage collection system be in place by the time the plan came into effect in May 2014.

Rather than update the eligibility criteria by moving the cut-off to a later date, the proposed plan adds new criteria that increasingly restricts community eligibility to financially benefit from the Curbside Collection Program. The financial incentive for curbside collection is now limited to communities that meet the following criteria:

- Incorporated municipalities;
- Population over 5000, and
- A curbside collection program in place by May 2014.



These Curbside Collection Program requirements prevent fair access to the program, which should benefit all British Columbians.

Communities in Electoral Areas B, C, and E, the District of New Hazelton, the Village of Hazelton, and the District of Stewart in the Regional District are all excluded by the eligibility requirements. Communities in Electoral Areas C and E, which are adjacent to the City of Terrace, have a combined population of over 6,800 and should not be excluded based on being unincorporated. Garbage and recycling collection was provided by the private sector prior to May 2014, and first provided as a Regional District service in November 2014.Organics collection was introduced in November 2016.

The City of Terrace and the Regional District have worked hard to provide consistent, coordinated services across their jurisdictions. The primary difference is that the City receives support from Recycle BC to offset the cost of PPP management, and the 6,800 residents in the Regional District collection service do not. Recycle BC's post-collection facility for the City of Terrace is in Electoral Area E, which already manages the PPP from the electoral areas. As such, no arguments can be made that hauling distances are too far or that the facility does not have capacity for the additional PPP.

It is not fair that residents of unincorporated areas are required to pay more to have their PPP collected and managed than a municipality within the same solid waste service area.

2. Access to Depots and Bulk Delivery to Depots

Outside the more urban areas, the Regional District has developed unique solutions to provide good access to recycling for First Nations and more rural communities. At tax payer expense, the Regional District has established a convenient recycling depot at the newly constructed Kitwanga Transfer Station. The depot is operated in full compliance with Recycle BC standards. The depot also allows for bulk delivery of PPP collected by community partners. Having one party dropping off PPP from 200 households is more efficient than households individually driving materials to the depot. The depot at Kitwanga could become a Recycle BC depot and help Recycle BC fill a significant gap in its network of depots. To realize this benefit it is imperative that bulk drop off from community partners be eligible under the Recycle BC program.

Bulk delivery of materials to a Recycle BC depot would increase user convenience, improve diversion of materials, and be more cost effective overall.

The Regional District has been advocating for inclusion in the PPP stewardship program since 2013. During the initial roll out, we understood that there was little room for exceptions or creative solutions, so we patiently waited to be added to the program. While waiting, we developed and implemented a full-service curbside collection program in our Terrace Service



Area and introduced innovative rural recycling initiatives. Each time Recycle BC invited feedback, we made a case for inclusion in the program. However; our requests and feedback have yet to influence the program plan, and the new eligibility criteria for curbside programs mean we are now further away from inclusion than we were 5 years ago. Although Recycle BC claims that its program is designed to focus on outcomes not processes, and that the plan sets the stage for evolution, it appears there is a strict adherence to rules. The reluctance to explore innovative solutions will impede improved provincial materials diversion.

The Regional District wishes for a collaborative and cooperative relationship with Recycle BC for the benefit of our residents. We are delighted that our member municipality of Terrace benefits from your program, and that the District of Kitimat is poised to do the same. The Regional District and Recycle BC share common goals of providing convenient, cost effective ways of diverting PPP from landfilling. We are keen to work with Recycle BC to ensure that our programs meet or exceed all requirements. To date, we understand from Do Your Part Recycling that our curbside PPP contamination is low. We are certain that our participation can have a positive impact on Recycle BC's diversion targets and look forward to joining the rest of the province in making BC a true leader in product stewardship.

Yours truly,

Philip Genet

Philip Germuth Chair

PG/eb

cc: Bob McDonald, Director of Extended Producer Responsibility with the Ministry of Environment & Climate Strategy

Teresa Conner, Senior Policy Advisor with the Ministry of Environment & Climate Strategy Eric Pierce, Environmental Protection Officer with the Ministry of Environment & Climate Strategy Board of Directors of the North Coast Regional District Board of Directors of the Bulkley-Nechako Regional District Board of Directors of the Peace River Regional District Board of Directors of the Fraser-Fort George Regional District Board of Directors of the Northern Rockies Regional District Board of Directors of the Cariboo Regional District



www.fvrd.ca | info@fvrd.ca

September 06, 2018

Tamara Burns Executive Vice President, Western Operations Recycle BC 230-171 Esplanade West, North Vancouver BC V7M 3JR

Dear Tamara Burns,

Re: Recycle BC Packaging and Paper Product EPR Plan – FVRD Staff Feedback

The Fraser Valley Regional District (FVRD) Environmental Services department has reviewed the July 2018 Packaging and Paper Product Extended Producer Responsibility Plan and thank you for the opportunity to provide comments. The FVRD is pleased to see progress specifically with the inclusion of new options for collection and recycling of single-use items and packaging-like products such as aluminium foil and resealable plastic bags. Performance measures is another area that the FVRD is pleased to see Recycle BC make progress with by establishing an overall target of 78% recovery rate and target timeline.

Despite this progress with the plan the FVRD has large reservations about the pilot project for Other Flexible Plastic Packaging. This material will be dropped off by members of the public under the pretense that it is being recycled. It is not being recycled and is in fact being incinerated despite assurances in consultation under the first plan that no excess material would go for energy recovery. This is a slippery slope for future materials to be considered for recycling and is disingenuous to the public.

The FVRD is concerned that adding a further source of materials for incineration will add to the industrial emissions and the adverse effects which impacts our sensitive air-shed and the air quality in our region as well as the health of our citizens. This category of material is one that the plastic industry should reconsider in terms of its potential for recycling and provide multi-component materials which can readily be recycled. One such program is the Recycle Ready Technology by Dow and packaging used by those brands using the standardized labeling system – How2Recycle. If this exists why does a pilot project need to be conducted by Merlin Plastic? More emphasis under the circular economy should be placed further up the chain?

There are other areas that FVRD staff feels Recycle BC should reassess and strengthen the draft EPR plan. These areas are provided below:

- Streetscape and Public Realm Collection: Given the difficulties with contamination of streetscape material Recycle BC should work to reduce this contamination through future research of container type, bin signage and other design elements. These requirements play an important role in potentially reducing contamination and should be a main component of any future research.
- Performance Measures: FVRD staff would like to see more transparency and clearer guidance in the reporting of overall recovery rate through the material based targets. This will make it clear what is leading to improvement in results or the opposite.
- O Depot Expansion: It is not clear in the plan when new collectors will be added. Guidance needs to be clear as to how potential new collectors and depots 'onboard' and the procedure for doing so. At

present the language is not clear and it does not present a level playing field. FVRD staff support an indicator of 'depots per capita' as an accessibility standard, which was raised by the City of Chilliwack.

The FVRD is supportive to see that Recycle BC and other stewards are paying more attention to First Nations and recycling. The FVRD is home to a large number of First Nations and staff would be glad to help facilitate communication between Recycle BC and First Nations in the region.

Thank you for the opportunity to provide feedback on the proposed stewardship plan and we look forward to participating in upcoming discussions related to the plan. Do not hesitate to contact me if you have any questions related to the feedback in this letter.

Sincerely,

Jamie Benton Environmental Services Coordinator – Solid Waste jbenton@fvrd.ca 604-702-5021 Tera Grady, Cariboo regional District

Feedback: Recycle BC's Draft Program Plan (July 2018)

This feedback is intended for both Recycle BC and BC Ministry of Environment, as some recommendations are not within the control of Recycle BC.

3. Packaging and Paper Product

ICI packaging that does not have well established recycling markets (i.e. most items other than OCC) should be included in the Recycle BC program.

4.3.5 New Curbside Programs

In keeping with section 4.1 PPP Program Delivery Principle's, first bullet: *"Focus on outcomes, not process - maximize recovery, maximize efficiency, enhance resident service levels while minimizing complexity;"* Section 4.3.5 should be amended to allow electoral area populations adjacent to existing curbside RBC funded collection routes to join the program.

The date of when a garbage collection program was in place should not restrict new PPP curbside programs, updating the May 2014 date to a minimum number of years of garbage service would be more appropriate.

4.3.9 First Nations Recycling Initiative

PPP generated from FN communities with population less than 500 should not be considered ICI material. These communities should be able to operate depots on IR and transport the material to the closest RBC depot, the same as satellite depots.

This section should include a commitment to working with Indigenous Services Canada to co-ordinate service provision to small rural First Nations communities.

The commitment of two additional FN communities per year being added to the RBC program is too restrictive. The Cariboo Regional District alone is home to 16 different First Nation Bands.

Thank you,

Tera D. Grady, BSc, RPF Supervisor of Solid Waste Management

tgrady@cariboord.ca



Parks & Environmental Services 625 Fisgard Street, PO Box 1000 Victoria, BC, Canada V8W 2S6 T: 250.360.3078 F: 250.360.3079 www.crd.bc.ca

September 5, 2018

File: 5200-40 Solid Waste Diversion Stewardship Programs

Tamara Burns, VP, Supply Chain Recycle BC 230 – 171 Esplanade West North Vancouver, BC V7M 3J9

Dear Ms. Burns:

RE: PACKAGING AND PAPER PRODUCT EXTENDED PRODUCER RESPONSIBILITY PLAN

Thank you for the opportunity to provide staff feedback on Recycle BC's proposed Packaging and Paper Product (PPP) Extended Producer Responsibility (EPR) Plan. We have reviewed the proposed revised five year stewardship plan and agree, in principle, with Recycle BC's renewed vision of expanding the collection and scope of PPP and increasing the general recovery rate as well as providing material specific targets.

While we commend the tremendous accomplishments Recycle BC has made since its stewardship program was implemented, an ongoing concern for the CRD is the level of funding for depots in our electoral areas. As pointed out in our letter dated December 15, 2017, the service model provided by non-profit recycling societies on the Gulf Islands is unique and not comparable to other private and public depots in the province. We believe that the funding shortfall for the Gulf Islands' depots does not meet the intent of the BC Recycling Regulation as the financial incentives offered by Recycle BC do not pay the costs for collecting and managing PPP at these facilities.

In the Capital Region, it is understood that only about 2,000 of over 45,000 multi-family units are part of the Recycle BC PPP collection program, thus leaving our region without a significant Recycle BC presence in multi-family collection. We are receiving increasing inquiries from multi-family residents about changes in their recycling programs and the types of materials accepted by private haulers; this is likely a result of recent global market changes. A greater Recycle BC presence would help provide consistency in multi-family collection and it is suggested that Recycle BC establish regional targets and timelines for increasing multi-family collection services.

We appreciate that streetscape collection and recycling services have unique challenges which have increased since the closure of Chinese commodity markets. The stewardship plan makes a general commitment to further research and consultation. It would be helpful to provide more details about your research plans and a timeline for implementing streetscape recycling programs.

Recycle BC – September 5, 2018 Packaging and Paper Product Extended Producer Responsibility Plan

The addition of single-use plastic items to the PPP program and municipal business regulations to ban disposable packaging will aid in reducing contamination in streetscape recycling bins.

We applaud you on your recent campaign to encourage BC residents to use reusable bags and take single use bags to depots for recycling. We believe that there are opportunities for joint messaging with our regional district to reduce the use of single use items and would like to discuss this further.

Thank you for considering our input on your revised stewardship plan.

Yours truly,

Tom Watkins Manager, Policy & Planning Environmental Resource Management

cc: Teresa Conner, PPP File Lead, Ministry of Environment (Teresa.Conner@gov.bc.ca)

From: Sue Maxwell | susanmaxwell@shaw.ca

Thank you for the opportunity to comment. The revisions are good and help to address some previous concerns.

I am excited to see the broadened scope of materials, the improved targets and the fact that they are by material type and will increase over time and the improved reporting.

Some aspects that could be improved are:

1. There should be targets for reduction of some single-use plastic items (bags, straws, plastic-lined coffee cups, styrofoam cups, styrofoam plates, etc.) as well as reporting on this.

2. There should be targets for reduction of packaging overall, particularly the hard to recycle or most environmentally harmful materials (non-renewables) as well as reporting on this.

3. Targets should increase regardless of whether they have been met and maintained for 2 years or else this creates a disincentive for the program to meet the targets.

4. There should be a target of covering 100% of all multifamily buildings. The program should work with strata associations and ensure that all stratas are informed of the services as well as the recycling collection companies.

5. The program should stick to its commitment to not burn materials for energy or just incineration. This diminishes the public appeal of the program and its reputation. Citizens of Burnaby can get their materials burned already by putting them in the garbage. It is appropriate to collect materials to develop recycling but in the end, materials that are not recyclable, should not be allowed; particularly as alternatives exist.

6. The program should work with regional districts, municipalities and First nations to determine a fair collection network that is based on material and consumption flows and geography instead of solely on population and driving times.

7. The program should be actively engaging producers -the designer, sourcing and marketing arms -to promote better design and recyclability instead of only if requested.

8. Streetscape collection is the responsibility of the program. The program must continue to improve and develop systems to do this rather than just to say it is hard. If liquids are a problem, develop a system to collect those separately. If contamination is an issue, work on community based social marketing programs and possibly hand sorting. Perhaps the expense will drive producers to use refillable containers.

9. Reconsider the exclusion of certain kinds of vacation properties. While the exclusion of care homes make sense as they will be using specific kinds of commercial products and have one set of staff handling waste, in many cases, time-shares function just like homes and the kinds of products/packaging are exactly the same. Likely the fee will have been paid for those products/packaging. In some cases, the building may have a combination of homes and time shares. It is not logical nor fair to exclude these.

Please feel free to contact me should you have any questions.

Sincerely, Sue Maxwell 9571 Emerald Dr Whistler, BC 604-734-4046 From:

Doug & Elizabeth Latta | <u>delatta@telus.net</u> Galiano Island Recycling Resources Society

Thank you for the opportunity to respond in your Feedback Phase II.

We, at Galiano Island Recycling Resources, applaud the move to include more plastics, rigid and other, in your future collection. Although we think that following Vancouver's ban on single use plastic items, taking place this fall, is probably the better way to stem some of this plastic to garbage scenario, than the more labour and energy intensive solution of waste to energy, at this point. We realize, however, that this must be a city initiated programme at this point, until the Ministry of the Environment can proceed further to deal with this plastic tsunami.

We are disheartened, however by your emphasis on the end product of recycling, rather than the process. Good process leads to acceptable, non contaminated recyclable product, such as the material which comes from smaller depots like ours. We are unable to sustain such an excellent end product, however, without the assistance of the CRD. The funding you have designated for us falls far short of what we need. Even with the top up of the CRD, we have many dedicated volunteers who are trained to help the public with regard to sorting and dealing with material as it comes in, particularly in the summer tourist season.

Your decision to add Category 9 to the recycling stream was applauded by our community but the person hours it takes to make sure the public gets it right and does not mix it with the other recoverable plastic is non stop. We would not be able to cope with the influx of summer recycling without volunteer help. We also have a voluntary membership fee to help defray costs. Infrastructure does not come cheaply and the depot must have a sufficient number of trained staff to oversee all aspects of the PPP collection, as well as a covered building to protect the product and staff in more inclement weather.

Pushing the producers of packaging to be more responsible has to come in good part from the companies that use that packaging. I note that this will mean a greater fiscal input from your member companies which can and will be passed on to the consumer.

We have repeatedly informed you that your funding is inadequate. Please consider this fact when you are dealing with depot funding and indicate that the true costs of such depots are never published in these seminars and are misleading.

Thank you.

Elizabeth Latta for

Galiano Island Recycling Resources Society.

From:

Kim Harris | <u>kimharris55@gmail.com</u> Mayne Island Recycling Society

Once again there was no mention of a different funding formula so that small rural depots would receive enough funding to cover their operating costs.

RBC has refused to discuss this during the entire consultation process. Not once has anyone from RBC responded to the multiple comments raised about this issue.

The least RBC can do is stop saying that they are fully funding the PPP program in the province. If municipal governments need to fund rural depots, for them to stay open, RBC is not covering the entire cost of the program.

In our depot, RBC payments cover the cost of rent, utilities and insurance (plus, through GBN, the costs of transportation of materials). There is not enough money to cover any staffing or other depot costs.

Thank you for offering us this opportunity for feedback.

Kim Harris (Mayne Island Recycling Society)

From:

Nancy Gerber, Site Manager Saturna Community Club Recycling Centre

Feedback Phase II

This statement in your list of accomplishments is not true.

"Only residential packaging and paper product (PPP) program in Canada that is wholly-financed and operated by producers"

Saturna Community Club Recycling Centre can stay in business because we are subsidized financially by extra government funding and volunteers. That funding does not come from producers. At this time we are breaking even with the extra funding. This happens only because over 50 hours per month are worked by volunteers. The fact that remote centres are underfunded has been brought to your attention repeatedly. Please check your facts before printing such statements.

Thank you,

Nancy Gerber

Site Manager

Saturna Community Club Recycling Centre



Sept 6, 2018

Recycle B.C. 230-171 Esplanade West North Vancouver, BC V7M 3J9

Via email: Consultation@recyclebc.ca

To Whom It May Concern,

On behalf of the Waste Management Association of British Columbia (WMABC), we are pleased to provide our comments on proposed improvements to enhance the performance of and accessibility to the Recycle B.C. Program Plan (Program). It is timely that Recycle B.C. is conducting its Program review given the dramatic changes to the recycled materials market and the federal-provincial-territorial development of a national zero plastic waste strategy.

By way of background, the WMABC is comprised of over 70 independent private waste services businesses with over 3,000 employees that provide a majority of the waste and recycling services across the province. As an active participant in the waste management services sector in B.C., we have and continue to provide a critical role in the delivery of efficient and cost-effective waste diversion, recycling and disposal services for the municipal and the industrial, commercial and institutional (IC&I) sectors.

As an industry, we are particularly proud of our leadership role in waste diversion across the province. The members of the WMABC have played a pivotal role in enhancing the diversion of materials in both the municipal and IC&I sectors by providing our strengths in logistics and infrastructure to collect and process these materials in an environmentally responsible manner and return them to the economy as secondary resources. We regard these as examples of a sustainable approach to resource reallocation and promotion of a circular economy. For over 30 years, the Association has acted as a conduit and representative voice for its members in connection with the development and promotion of government policies and programs that increase waste diversion and recycling and move towards the development of a circular economy.

Setting the Context

Waste diversion programs including those in the IC&I sector are facing considerable economic and logistical head winds. One of the most significant challenges has been the surge in plastics and plastic composite products

and packaging into markets and the lack of recyclability of these materials. These plastics are rapidly displacing recyclable paper, metal and glass packaging that have long been the cornerstone of diversion programs and have led to higher contamination rates at recycling facilities. With less value and no viable end markets for these materials, they are being disposed of in landfills and waste to energy facilities or worse, ending up in the environment. This is by no means specific to B.C. as this scenario is occurring right across Canada and the U.S.

One of the failings in the recyclability of plastics has been the disconnect between the materials collected and lack of pull or end markets for these post-consumer plastic materials. If Recycle B.C. is to meet the proposed performance metrics outlined in Canada's Plastic Charter, it will need to address this disconnect.

While waste services providers do not have the ability to influence the design of products and packaging, they understand the environmental and economic challenges and opportunities associated with waste diversion and processing. To serve their customers, our members must plan, educate and operate the collection and management of the materials that producers sell into the market. The WMABC proposes several public policy measures that would help with the enhancement of the performance and accessibility of the Recycle B.C. Program.

Improving the Performance of the Program

The WMABC is supportive of Recycle B.C.'s four principles:

- focus on outcomes, not process;
- provide economic incentives and set simple rules;
- foster interaction, collaboration and competition to drive innovation, and;
- set the stage for evolution through continuous improvement.

The Association believes this approach will be paramount for Program's future success.

To enhance the performance of the Program, the WMABC believes that provincial and municipal governments have the opportunity through their existing procurement programs to stimulate the development of end markets and create pull for these plastics as part of the development of a circular economy. The WMABC has members that could easily provide post-consumer recycled materials to develop markets for new local products and services.

However, one of the critical issues that often arises when governments attempt to stimulate new markets is to support specific approaches and technologies through legislation, regulation and/or public policy. Not only is it inappropriate for governments to try to predict the needs of future markets, but when they do, they often have a less-than stellar record in guessing what the market will need in coming years.

The WMABC would caution the province and municipalities not to focus on public policies that pick "winners" and conversely "losers" but instead create a public policy environment that encourages and incents a broad range of waste service companies to adapt as well as attract new investment and technologies to respond to evolving market needs. These policies and regulations should not be prescriptive and/or focus on a specific type of technology, material or service but rather focus on outcomes while ensuring environmental protections are in place.

To this end, the WMABC recommends that the provincial government and municipalities commit to conduct a comprehensive review of existing waste management policies and programs to create a public policy environment that will create pull for plastics as well as other materials and address disconnections along the chain of custody of these materials. This will ensure that any new initiatives enhance the performance of the Program as well as facilitate investment in the development of a circular economy. However, for a circular economy to take hold in B.C., there are two key factors that influence investment – an open and competitive market and regulatory certainty.

Open and competitive markets allow for the development of dense collection networks which in turn drives higher productivity while maximizing internalization opportunities. This environment helps de-risk investments in new recycling infrastructure and manufacturing facilities. Given the patchwork of regulations between the regional districts across the province, this fragmented approach can destabilize the materials market and the results can be counterproductive. Investment capital flows more readily to those jurisdictions where it can be most effectively utilized and where the returns are the greatest.

With respect to regulatory certainty, the WMABC believes in regulation. However, it must be developed in conjunction with the private sector that establishes clearly-defined policy objectives that protects the environment but also creates systematic incentives that allow companies to invest in new and innovative technologies and approaches. Approval processes and permitting should be outcome focused and based on sound science and economics that encourage solution providers and the market to develop innovative ways to meet these standards.

The materials that the B.C. waste services industry collect, and process are commodities within a competitive global economy. If our industry is to serve the needs of our customers such as Recycle B.C. and grow and thrive, there needs to be a regulatory framework that is consistent, effective and fast-moving. This will not only encourage companies to invest in new and innovative technologies and approaches but also incent those companies to use these feedstocks to create value-added products thus lowering costs for brand owners, municipalities and taxpayers.

Enhancing the Accessibility of the Program

It should be noted that many jurisdictions with producer responsibility programs are moving from a monopolistic to a competitive marketplace with multiple service providers and programs. This not only

encourages investment and innovation in new capacity and diversion technologies but also reduces costs to brand owners, businesses and taxpayers. The WMABC would suggest that the Recycle B.C.'s Industry Advisory Council include representatives that are directly involved in the private waste services industry specifically in the collection and processing side of the business.

Another aspect of regulatory certainly is competition between the public and private waste services sectors which can exacerbate the disconnection along the materials chain of custody.

In some jurisdictions, municipalities may provide waste services in direct competition with the private sector. As an example, a municipality or regional district may own and/or operate transfer stations, materials recycling facilities, disposal facilities (landfills and/or waste-to-energy) while simultaneously being the regulator of private sector services in the community in terms of licensing waste processing facilities, charging various fees disposal and fines for non-compliance as well as arbitrating disputes and complaints from the private waste services sector.

In these instances, depending on the degree of services provided, a municipality or regional district may create a monopsony whereby it is the sole buyer of waste materials that restricts competition in the diversion and/or disposing of waste. This also places smaller private waste services providers at a competitive disadvantage with larger companies, which could push smaller companies out of the market resulting in business failures and job losses. Under Canada's Competition Act, these activities by the public sector could be considered an abuse of power.

Summary

The WMABC believes the Recycle B.C. Program requires a collaborative effort from all stakeholders along the material chain of custody. We believe that the some of the environmental and economic issues around the management of materials issues outlined in the Program review have been in part due to a disconnect between the activities of several key stakeholders. Therefore, the WMABC would recommend:

- any future activities within the Program must include <u>all</u> stakeholders involved in the chain of custody of approved materials.
- any discussion of the structure or restructure of provincial and municipal waste diversion and management
 policies must include outcome-based policies and regulations in an open and competitive market to
 encourage and incent private sector investment that will create new and innovative diversion and recycling
 facilities, facilitate a circular economy and in turn reduce costs for brand owners, local governments and
 taxpayers.
- that Recycle B.C. advocate for the establishment of definitions and performance standards to ensure claims of recyclability or compostable products entering the market so as not to inundate local markets with

materials that municipal and industry collection systems cannot process and result in increased disposal costs.

- any targeted action on reducing plastic products and packaging including bans, fees or recycled content requirements must undergo a full economic analysis before approval and implementation so as not to cause unintended consequences.
- governments at all three levels should commit to procurement programs to stimulate the development of end markets and create pull for these materials which in turn can facilitate the development of a circular economy.
- that the Recycle B.C.'s Industry Advisory Council include representatives that are directly involved in the private waste services industry specifically in the collection and processing side of the business.

We would respectively recommend that the above points and issues raised in the preceding sections be incorporated into the ongoing enhancement of the Program to sustainably increase the diversion of materials from the waste stream and develop end markets for those materials.

The WMABC stands ready and willing to work with Recycle B.C., the province and local governments to address these issues. For further information, please contact Lori Bryan, Executive Director for the WMABC at info@wmabc.com

Sincerely,

Noel Massey President

c. Hon. Minister George Heyman, Minister of Environment Mark Zacharias, Deputy Minister, B.C. Ministry of Environment Lori Bryan, Executive Director, WMABC Good Afternoon,

Indigenous Services Canada is making significant investments to improve solid waste management for First Nation communities in BC. As part of our program we are assisting First Nations develop holistic waste management solutions including:

- Waste and recycling collection
- Organics diversion
- Infrastructure upgrades
- Awareness and training
- Agreements for waste and recycling transfer services
- Operations and maintenance

First Nations have worked hard to develop relationships with neighbouring communities, regional districts, services providers and product stewards, to integrate within the provincial solid waste management systems. Many First Nations are quickly becoming provincial leaders in zero waste initiatives.

A barrier to the continued success of the First Nation zero waste initiatives is the ability for First Nations to be accepted into the Recycle BC Packaging and Paper Project Extended Producer Responsibility Program or have access to facilities that are in the program.

In order to remove some of these barriers, I have some suggestions:

- Consider revising the target number of First Nations that will be considered eligible for a financial offer and service agreement. The existing annual target of two will take approximately 100 years to include all First Nations in BC within the program.
- 2) Allow existing Recycle BC collectors to expand service to First Nations within their vicinity for the collection of household PPP
- 3) Allow existing Recycle BC depots to allow access to First Nations in their vicinity for the drop off of household PPP
- 4) Ensure that negotiations with one First Nation for entry into the Recycle BC program does not impact negotiations with other First Nations that have submitted applications
- 5) Include First Nation indicators within the annual reports such as: number of First Nations with depot; number of First Nations with curbside collection; number of First Nations with access to a non-First Nation depot, etc.

I hope you will consider these comments or other similar measures that will allow increased First Nation participation within the Recycle BC.

I look forward to working together to ensure First Nation communities have adequate access to your program.

Thank you,

Shauna Sturgeon, P.Eng.

Project Engineer, Specialist Services Community Infrastructure Directorate Indigenous Services Canada 600-1138 Melville Street Vancouver, BC, V6E 4S3 Phone: 604-340-3256 Shauna.Sturgeon@Canada.ca



September 6, 2018

Recycle BC 230-171 Esplanade West North Vancouver, BC V7M 3J9

Via email: consultation@recyclebc.ca

Dear Sir or Madam:

Re: Consultation of Recycle BC Revised Program Plan – Phase II

The Indigenous Zero Waste Technical Advisory Group (IZWTAG) respectfully submits this letter in response to Recycle BC's proposed Packaging and Paper Product (PPP) Extended Producer Responsibility Plan (revised July 2018).

Summary

We appreciate the efforts to address the PPP recycling service gaps for First Nations communities (as stated in the proposed program plan, there are now 11 First Nations registered as Recycle BC collectors, albeit out of a total of 201 B.C. First Nations). We strongly recommend the use of additional service expansion approaches to increase the rate of First Nations inclusion in the program. We have outlined some examples that we believe will address the circumstances and opportunities particular to First Nations, build upon existing relationships and infrastructure, and fit the product stewardship goals in the Recycling Regulation.

We wish to recognize the efforts of Recycle BC and other product stewards to engage with First Nations through the hiring of a First Nations Field Services Specialist. This significant investment could be leveraged to yield measurable outcomes for First Nations in addition to the current outreach and liaison roles. Together with the expanded access and interim staged registration proposed in this letter, the First Nations Field Specialist could be an effective facilitator to remove barriers and accelerate new agreements for First Nations to access the Recycle BC program.

We also recommend additional performance measures to aid in monitoring progress in the endeavour to close the gap between the number of First Nation communities with access to PPP recycling and the rest of the province. We believe annual reporting on these measures together with a collaborative working forum with the IZWTAG and the provincial ministries responsible will be productive and lead to quantifiable outcomes. We urge Recycle BC to build on overall successes so far with the first PPP program plan and follow through in the upcoming plan with equal or better PPP product stewardship outcomes for First Nations in B.C.



Unless the proposed program plan is revised to include effective and measurable components to increase the rate of First Nations inclusion, as outlined in this letter or directly comparable to the recommendations in this letter, IZWTAG will regrettably not be in support of the proposed program plan as currently written.

Introduction

The IZWTAG was formed to provide Indigenous-led technical and advisory guidance to:

- BC First Nations for developing and sustaining up-to-date solid waste management systems that meet community needs and local conditions, work towards zero waste, and are compatible with regional and provincial requirements;
- Industry and government partners, including solid waste associations, product stewards, service providers, regional, provincial and federal departments, to advance the interests of BC First Nations in managing and funding solid waste programs;
- Build hands-on capacity among BC First Nations to operate and sustain solid waste management systems, including community education, training, technical support, best practice resources/updates and service provision.

The IZWTAG consider PPP recycling to be a significant component enabling First Nations to achieve their zero waste aspirations, and therefore, timely access to the Recycle BC program to be critical.

Gaps and Opportunities

First Nations in BC comprise citizens and voters, and obtain products and services in the same manner as their neighbors – and like their neighbors, require access to product stewardship recycling collection and depot services in order to meet provincial and regional requirements for waste diversion, and comply with landfill bans. Without access, First Nations are faced with commercial rates for recycling and/or increased landfill fees and penalties as Regional Districts continue to implement waste diversion bylaws. We note, however, that Regional Districts have been and continue to be supportive partners to First Nations, enabling improved waste management for on-reserve communities. Given that regional districts are the primary jurisdictions planning and implementing on-the-ground waste management in B.C., this partnership foundation offers an excellent opportunity to extend Recycle BC program services to First Nations.

While First Nations traditions honour and respect taking care of the environment, historical circumstances, population size and geographic situation have not always fostered the creation of comprehensive community waste management systems at the same time frame as the rest of the province. This "time lag" partly accounts for the awareness gap among First Nations when the initial PPP program plan was launched. The situation is rapidly changing with emerging federal investment programs aimed at establishing up-to-date waste management systems to address the needs of remote communities, but also in response to the requirements of regional and local waste bylaws. We recognize



too that there are First Nations in B.C. that have improved community waste management outside of the federal program.

At the present time, one of the noticeable gaps is the difference between the number of First Nations establishing improved waste management systems within the federal program, and the number of First Nations with Recycle BC agreements (60 vs. 11).

From the perspective of First Nations, another reason for the low participation is a reluctance to sign agreements with significant penalty clauses for recycling contamination and the potential financial liability. This caution can be a constraint, but also a potential opportunity to instil quality control training and practices through a staged approach that combines building skill and confidence for program participation. Specifically, for the mutual benefit of Recycle BC and First Nations, program inclusion could start with an interim step that includes a quality control component supported by training and audits, and upon consistent achievement of low contamination rates result in full or final registration.

Another barrier to receiving recycling product stewardship services is the current limited entry model, whereby a First Nation must queue on an unofficial wait-list to be assessed for potential registration. This may have been a procedure that suited the limited opportunities within the initial PPP program plan life, and dovetails with the previously unofficial objective to offer service agreements to two First Nations per year. We respectfully disagree with continuing this approach in the proposed program plan revision due to its obvious limitations, but also stress that the language of the proposed revised program plan objective (quoted below) falls short of actually achieving the limited outcome proposed:

"Provide financial offer and services agreement to two First Nation Recycling programs each year while working to maintain the continuity of the existing First Nations collection programs within its network"

We note again that this is not an outcome-based approach (which goes against a Recycle BC principlesee page 8 of the proposed plan revision) because only an offer is being made and not the completion of a new recycling agreement. Recycle BC could instead depart from the constraints of the previous program plan, commit to a fresh approach and offer agreements to multiple First Nations, complete agreements with multiple First Nations and have a more ambitious plan and goal that would provide and extend PPP product stewardship agreements to every B.C. First Nation within the life of the revised program plan. Theoretically, if the current proposed goal is continued through the life of the revised program plan and beyond, a rate of actually including two per year will mean it could potentially take 95 years to include all First Nations. Clearly, a different approach is required, one that results in significantly better outcomes, by addressing the barriers and constraints for all parties involved, and that takes the best advantage of available opportunities.



Proposed Alternative Options to Accelerate First Nations Access to PPP Product Stewardship Services

The diversity of B.C. First Nations, in particular with regard to the geographical situation and transport access, provides challenges but also opportunities to expand recycling services. Roughly **one-third** of all B.C. First Nations are located adjacent to or nearby other local communities with curbside recycling. One example is the Tla-o-qui-aht community of Esowista on the Tofino peninsula, who are located between the communities of Tofino and Ucluelet; Esowista residents are keen to participate in the local curbside recycling service that their neighbors receive, and in fact share their drinking water and wastewater systems, and are part of the same Regional District waste management regime. There are similar examples in the Lower Mainland, Vancouver Island, and the Southern Interior where existing local and municipal curbside programs surround First Nations and could likely be expanded to include First Nations if access to the Recycle BC system for recyclables could be granted by Recycle BC.

Just over 40% of B.C. First Nations have reliable road access to regional or Recycle BC depots and would be potential candidates for curbside collection and direct haul to one of these depots, and/or to establish as interim satellite depots. An example would be the Gitxsan First Nations along Highway 37 near Hazelton, who are implementing recycling required by the latest Regional District waste bylaw, and actively training operators through SWANA and educating residents with the help of the regional district.

Finally, another one-quarter of B.C. First Nations are either located on islands or in remote locations with difficult terrain or road access. The majority of these communities are already part of the federal program and a few are already registered Recycle BC collectors (e.g. Heiltsuk at Bella Bella and Gitxaala at Kitkatla). These remote communities are receiving federal investments to upgrade the waste management facilities and represent a timely opportunity for Recycle BC to extend depot services, potentially using the quality control mechanism mentioned above.

The above locational understanding of B.C. First Nations helps to highlight potential avenues for efficient and timely extension of PPP product stewardship services, that could combine proximity or distance to existing and potential service networks and partners. We note that the current proposed program plan revision includes the following statement which alludes to a similar approach:

"Review existing Recycle BC curbside and multi-family collectors' service areas to determine if they can include non-serviced First Nations communities in the same service area" – From section 4.3.9.

We respectfully recommend moving to an outcome-based statement using this principle of service extension to accelerate provision of PPP curbside pick-up and/or depot services to First Nations.

In an effort to provide constructive options for moving forward, the following is offered as a potential Recycle BC program plan component for First Nations inclusion:



PROVIDE FIRST NATIONS COMMUNITIES WITH ACCESS TO CURBSIDE AND DEPOT RECYCLING SYSTEMS FOR HOUSEHOLD PPP

First Nations will have the option of entering the Recycle BC program in stages, beginning with an interim registration for either curbside or depot or satellite depot services coupled with a quality control component supported by training and audits. The interim registration would allow access for recycling materials to enter the Recycle BC system through an existing curbside program or depot network. Upon consistent achievement of the Recycle BC quality and contamination thresholds, the First Nation is eligible for full registration. Penalty clauses will be in abeyance for the interim period or 3 years, whichever is earlier. Financial incentives/subsidies during the interim period may be pro-rated to offset the training and audit cost.

Recycle BC will permit collectors to extend curbside or depot services to First Nations in their vicinity on the same basis as their existing agreement. Where a local collector is unwilling or unable to extend service to First Nations, Recycle BC will allow the First Nation or another collector to provide the service on the same terms within 12 months of receiving a request for interim access.

Effective and Measurable Components

IZWTAG proposes the following be added to the plan performance measures and included in the annual reporting requirements as First Nation indicators:

- Awareness Indicator Number of First Nations of the total of 201 for which their preferred PPP recycling access has been identified through outreach and liaison (e.g. interim curbside, interim depot, extended municipal curbside, independent curbside with Recycle BC agreement, Recycle BC Depot agreement).
- Accessibility Indicators Number of First Nations with community interim or complete Recycle BC access for PPP by Regional District (i.e. PPP collected by the community is being accepted by the Recycle BC program). Number of First Nations with completed agreements. Number of First Nations offered agreements. Number of First Nations expressing interest in obtaining an agreement.
- **Operational Efficiency Indicator** Number of First Nations where PPP curbside program is equivalent to the adjacent/surrounding municipality's curbside program of the approximately 70 First Nations with adjacent/surrounding curbside programs. Of the 45 First Nations located greater than 100km from a Recycle BC depot, the number that have a depot agreement with Recycle BC.

Setting up for success

We respectfully submit this letter as input to Recycle BC's proposed Packaging and Paper Product Extended Producer Responsibility Plan (revised July 2018), and invite Recycle BC and provincial



ministries responsible to dialogue further with us on detailed aspects of the proposals, such as the quality control component. We recognize the major challenge (and opportunity) to provide service to the remainder 190 or so B.C. First Nations, and are willing to participate in a collaborative ongoing forum to implement, improve and monitor PPP recycling service extension.

We note that at the end of this proposed program plan revision period, ten years will have elapsed since PPP product stewardship came into effect in B.C. As such, unless the proposed program plan is further revised to include effective and measurable components to increase the rate of First Nations access, as outlined in this letter or directly comparable to the recommendations in this letter, IZWTAG will regrettably not be in support of the proposed program plan (revised July 2018) as currently written.

We thank you for the attention and the opportunity to provide input.

Respectfully,

Leo Lawson Co-Chair, IZWTAG (Director, CWMA) Ihanslawson@msn.com

amisic

Calvin Jameson Co-Chair, IZWTAG (Director, SWANA Pacific Chapter) Calvin.Jameson@lilwat.ca

cc: Ministry of Environment and Climate Change Ministry of Indigenous Relations and Reconciliation Indigenous Services Canada IZWTAG Directors