



**RECYCLEBC™**



# Packaging and Paper Product Extended Producer Responsibility Plan

Consultation Draft  
September 29, 2022

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Recycle BC's previous Program Plans can be found at  
[https://recyclebc.ca/stewards/regulation\\_and\\_stewardship\\_plan/](https://recyclebc.ca/stewards/regulation_and_stewardship_plan/)

# Packaging and Paper Product Extended Producer Responsibility Plan

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# Packaging and Paper Product Extended Producer Responsibility Plan

## 1. Revised Program Plan Context

Since its initial program launch in 2014, Recycle BC has been operating the only full extended producer responsibility (EPR) program for residential packaging and paper product (PPP) in Canada whereby producers are both financially and operationally responsible for establishing a reverse supply chain for the collection, transportation, consolidating, processing and marketing of residential PPP. After more than eight years of operation, Recycle BC's program continues to provide a best-in-class model for the efficient and effective management of PPP.

While the Recycle BC program has evolved significantly over the last eight years, it has consistently provided:

- Full regulatory compliance for producer members;
- A shift of cost for delivery of recycling service from local governments and taxpayers to producers;
- Harmonization of the materials accepted for collection across the province, providing consistency and certainty to collectors and residents;
- Annual increases in the materials accepted and collection accessibility for BC residents;
- Major investments in local processing capabilities and resulting increases in access to local and regional end markets; and
- Full transparency in how collected PPP is responsibility recycled and managed, subject to third party verification.

The last years (2020 to 2022) have proved very challenging to the Recycle BC program, its producer members and its service providers, as a number of cascading challenges have emerged. The COVID-19 pandemic, interrelated supply chain disruptions and a tightening labour market have strained the transportation networks and labour supply that underpins the program's reverse supply chain and logistics systems. Severe weather events from forest fires to floods, heat domes and snow events have further tested the program's resilience and adaptability. Public distrust in how plastics are recycled, driven by misleading media stories that fail to explain the differences between BC's residential recycling system and its associated controls compared to other jurisdictions, threaten to undermine BC's achievements. Finally, inflationary pressure has put a renewed spotlight on the price of goods and services, including the cost of recycling PPP, and created new challenges for producers of PPP.

Each of these challenges present an opportunity to the Recycle BC program to adapt and innovate while providing focused, convenient recycling solutions to BC residents. Driving efficiencies, harnessing innovation and leveraging technology at all stages of the reverse supply chain at fair and reasonable cost on behalf of the program's producer members will remain primary goals of the program. Emergency preparedness and building the program's resilience to weather and other events will be a major focus of the coming years. Given increased public attention on plastics, packaging design and the circular economy, Recycle BC will continue to leverage its position to further its producer members' plastics recycling objectives.

## 2. Extended Producer Responsibility Agency

### 2.1 Regulatory Context

In British Columbia, the [Recycling Regulation](#) under the Environmental Management act sets out the requirements for producers of obligated packaging and products, including the requirement for extended

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producer responsibility plans. Section 2(1) of the regulation provides: A producer must (a) have an approved plan under Part 2 [Extended Producer Responsibility Plans] and comply with the approved plan with respect to a product in order to use in a commercial enterprise, sell, offer for sale or distribute the product in British Columbia.

In addition to the Recycling Regulation, the following regulatory amendments and Ministry of Environment and Climate Change Strategy (MOECCS) guidance documents outline applicable program requirements:

- Order in Council #370 obligating [designated Single-Use Products and Packaging-Like Products \(SUP/PLP\)](#);
- [Producers Paying the Cost of Managing Obligated Materials and Dispute Resolution Guide](#); and
- The Guide to Third Party Assurance for Non-Financial Information in Annual Reports.

This Packaging and Paper Product Extended Producer Responsibility Plan has been designed to discharge the associated regulatory obligations of its producer members.

### 2.2 Administration of the Program Plan

Recycle BC is responsible for administering this Program Plan on behalf of the producers that have chosen to be members of the Recycle BC Program. Recycle BC's objective is to manage the Program Plan effectively and efficiently through a combination of in-house resources and outsourcing of key specialized functions or services.

Recycle BC is a legal entity in British Columbia with BC-based staff members that manage program operations, including the supply chain and promotional activities to engage residents. Recycle BC is governed by a Board of Directors representing brand owners and retailers. The Board also has local independent members. The current composition of the Board of Directors can be found on Recycle BC's website, [here](#). The Committees of the Board are listed on this governance page as well.

Recycle BC also consults with an Advisory Committee on core elements of its program. The Recycle BC Advisory Committee includes local stakeholders involved in Recycle BC's packaging and paper stewardship program. The committee serves as a forum through which BC stakeholders with an interest in the success and performance of Recycle BC's program are kept informed about program developments and through which they can be consulted for advice and feedback. The Advisory Committee's membership can be found on Recycle BC's website, [here](#).

With the goal of harmonization where possible, Recycle BC regularly collaborates with producer organizations for other categories of materials captured by the Recycling Regulation as well as producer organizations whose EPR plans cover one or more categories of PPP in BC. As other Canadian provinces begin implementing full EPR programs for PPP, Recycle BC will work closely with our provincial counterparts to collaborate on best practices, build efficiencies across programs, and improve collective performance.

### 2.3 Producer Members and Definition

Recycle BC acts on behalf of its member businesses who are producers of PPP. BC's Recycling Regulation defines "producer." For Recycle BC's working definition of producer, please refer to Appendix A.

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Producer companies that have joined Recycle BC fall into the following sector categories:

- Food and consumer products
- Retailers (grocers, mass/general merchandisers, hardware/housewares, drug stores and specialty merchandisers)
- Electronic manufacturers/brand owners
- Horticulture and agriculture
- Media and printed paper
- Quick service/take-out restaurants
- Paint and chemical products
- Other/miscellaneous

A complete membership list is updated annually and posted on Recycle BC's website [here](#).

### 2.4 Program Financing

Recycle BC is responsible to the producers that have chosen to be its members to deliver an efficient and effective PPP EPR program.

Producers that choose to be members of Recycle BC are responsible for paying fees that are sufficient, in aggregate, to deliver the requirements and commitments of the Program Plan. Costs fall into three categories:

- Material management – what it takes to collect, transport, process and market materials. This is by far the largest cost component and is expressed net of commodity revenue in financial statements;
- Administration – what it takes to manage the business; and
- Resident awareness – what it takes to promote the behaviours that drive collection.

Producers that supply obligated PPP pay fees that are intended to cover:

- A contribution to the costs of managing the collection, consolidation, processing and marketing of the recyclable PPP that is the basis for the PPP EPR program performance;
- Where required, a contribution to advance the material's adoption in the recycling system, improve the cost efficiency to manage the material and/or to develop end-markets for the material;
- An equitable share of resident awareness costs; and
- An equitable share of Recycle BC administration costs.

Costs incurred by Recycle BC to deliver and administer the Program Plan are allocated amongst producers based on the following principles:

- All obligated materials should bear a fair share of the costs to manage the packaging and paper product program, irrespective of whether a material is collected, because all obligated producers who put obligated materials into the marketplace should contribute to the recycling system;
- The material management costs allocated to each material should reflect the material's impacts on the costs to collect and manage it in the recycling system because a material's unique characteristics can drive costs in distinctive ways; and
- The commodity revenue should be attributed only to the materials that earn revenue because materials that are marketed have value and should benefit from earned revenue.

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To allocate the program costs in accordance with the principles above, Recycle BC conducts a number of studies that serve as inputs to fee setting, including waste composition and cost impact studies. The fee setting methodology then uses the inputs from these studies to calculate the portion of the program's budget that is attributed to each category of material supplied by producers.

As recycling systems change to accommodate new packaging formats that enter the marketplace (i.e., the "evolving tonne") methodologies must be flexible enough to account for those changes and calibrate their cost effects. All methodologies undergo periodic review to verify their suitability and are updated in consultation with the producer community where required.

The fee setting methodology plays a critical role in ensuring Recycle BC has the tools necessary to raise funds in material categories where the material is difficult, if not impossible, to collect and recycle using today's recycling practices and technologies. A key component of the fee setting methodology is its mechanism for adding cost to uncollectable and/or underperforming material categories to enable the investment in performance improvement. These investments can be directed to research and development, end market development and/or promotion and education – all are necessary strategies to ensure materials advance upwards along the pollution prevention hierarchy.

Each year, producer members of Recycle BC pay fees to Recycle BC based on the total weight of PPP supplied to BC. Eligible low-volume businesses can choose to file a simplified report and pay a flat fee based on the quantities of PPP supplied annually to BC residents.

### 3. Packaging and Paper Product

#### 3.1 Packaging

British Columbia's *Environmental Management Act* defines packaging as "a material, substance or object that is used to protect, contain or transport a commodity or product, or attached to a commodity or product or its container for the purpose of marketing or communicating information about the commodity or product".

Schedule 5 does not further refine the definition of packaging beyond that provided in the *Environmental Management Act* as described above.

Packaging for purposes of producer obligation and reporting under the Program Plan includes:

- (a) Primary packaging, i.e., packaging that contains the product at the point of sale to the residential consumer;
- (b) Grouped packaging or secondary packaging that goes to the household<sup>1</sup>;
- (c) Transportation, distribution or tertiary packaging that goes to the household<sup>2</sup>;
- (d) Service packaging is packaging which may or may not bare a brand that is supplied at the point of sale by retail, food-service or other service providers to facilitate the delivery of goods. Service

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<sup>1</sup> Multiple packages of product sold in a unit, often wrapped in film plastic.

<sup>2</sup> May be both the primary packaging for the product and the packaged used to ship the product but is referred to as transportation packaging that goes home with the consumer. For example, household products packaged in corrugated boxes intended for final use or management by the consumer or end user.

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packaging includes all bags, boxes, and other items for the containment of goods at point of sale; and

- (e) Packaging components and ancillary elements integrated into packaging, including ancillary elements directly hung or attached to a product and which perform a packaging function unless they are an integral part of the product and all elements are intended to be consumed or disposed of together.<sup>3</sup>

For the purposes of the Program Plan, paper packaging means all paper materials regardless of the cellulosic fibre source of the material including but not limited to wood, wheat, rice, cotton, bananas, eucalyptus, bamboo, hemp, and sugar cane (bagasse) fibre sources.

The plan does not apply to items obligated under other EPR programs, non-PPP items or PPP items supplied to industrial, commercial or institutional facilities.

### 3.2 Paper Product

Paper product is defined as paper of any description, including:

- (a) flyers,
- (b) brochures,
- (c) booklets,
- (d) catalogues,
- (e) telephone directories,
- (f) newspapers,
- (g) magazines,
- (h) paper fibre, and
- (i) paper used for copying, writing or any other general use.

This definition of paper does not include paper products that, by virtue of their anticipated use, could become unsafe or unsanitary to recycle, or any type of bound book not mentioned above.

For the purposes of the Program Plan, paper product comprises any type of cellulosic fibre source including, but not limited to wood, wheat, rice, cotton, bananas, eucalyptus, bamboo, hemp, and sugar cane (bagasse) fibre sources.

### 3.3 Single-Use Products and Packaging-Like Products

The MOECSS enacted amendments to the *Recycling Regulation* in June 2020, through *Order in Council #370*, including changes to the materials to be included in the Recycle BC program. Beginning January 1, 2023, producers of single-use products and packaging-like products are obligated for these materials. For further information, refer to the MOECSS Explanatory Note [here](#).

Single-use products as defined by the MOECSS include, but are not limited to, items such as:

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<sup>3</sup> Examples of this kind of packaging include, but are not limited to: labels and lids hung directly on or attached to the packaging; mascara brush which forms part of the container lid; staples, pins, clips; toy on the top of a candy product which forms part of the lid; devices for measuring dosage that form part of the detergent container lid; plastic make-up case; brush contained in the lid of corrective liquid paper; zipper on a plastic film bag containing a product.



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- Straws, stir sticks, utensils, plates, bowls and cups; and
- Party supplies and paper party décor (e.g., paper streamers, pinwheels and piñatas), but does not include items such as costume wear (e.g., eyeglasses), balloons, ribbons, that prove especially problematic in a recycling system.

Packaging-like products as defined by the MOECSS include, but are not limited to, items such as:

- Food bags and films purchased as a product, food storage, sandwich and freezer bags, paper lunch bags, aluminum foil wrap, plastic shrink film wrap, paper wrap (e.g., wax paper, parchment paper);
- Disposable food storage containers purchased as a product, (i.e., containers intended for short-term use), non-durable plastic, paper or other food containers (e.g., plastic lunch containers), aluminum foil pie plates and baking trays, etc.; and
- Household items purchased as a product, corrugated cardboard moving boxes, banking boxes and cardboard boxes, recycling bags (i.e., bags used to collect recyclables), LDPE/HDPE film (e.g. used as drop sheets for painting, covering items like furniture or equipment), bubble wrap, plastic plant pots and saucers.

As a result, effective January 1, 2023, the definition of packaging and paper product (PPP) includes:

- Designated single-use products as defined by the 2020 Amendments to the BC Recycling Regulation; and
- Designated packaging-like products as defined by the 2020 Amendments to the BC Recycling Regulation.

### 3.4 Sources of Packaging and Paper Product

Under Schedule 5 of the Recycling Regulation, the packaging and paper product program addresses residential premises and municipal property that is not industrial, commercial or institutional property.

Residential premises are:<sup>4</sup>

- Single-family dwellings inhabited year-round or seasonally;<sup>5</sup> and
- Multi-family dwellings including rental, co-operative, fractional ownership, time-share, condominium<sup>6</sup> and seniors residences.<sup>7</sup>

Municipal property that is not industrial, commercial or institutional property comprises the following which are collectively referred to as ‘streetscape’ in this Program Plan:

- Sidewalks that are municipal property, which adjoin buildings in an urban commercial area and which are used for pedestrian traffic;
- Plazas or town squares that are municipal property and that are available to the public; and

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<sup>4</sup> Section 1 of the Recycling Regulation defines “residential premises” to include houses, apartments, condominiums, town homes and other premises in which persons reside but does not include institutional accommodations or visitor accommodations.

<sup>5</sup> Vacation facilities, such as hotels, motels, cottages and cabins, are considered commercial operations.

<sup>6</sup> Vacation facilities, such as rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts), are considered commercial operations.

<sup>7</sup> Residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices, are considered institutions.

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- Parks that are municipal property.

### 4. Program Design

#### 4.1 Program Delivery Principles

Recycle BC's program design is driven by one overarching objective – continuous improvement in recovery effectiveness and efficiency of residential waste packaging and paper product in British Columbia.

The delivery principles that guided the development of the Recycle BC program continue to guide the program's future operation, with the addition of a new principle to address emergency preparedness:

- **Focus on outcomes, not process** – maximize recovery, maximize efficiency, and 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;
- **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; and
- **Build program resilience** – foster emergency preparedness and build the program's resilience to weather and other significant events.

#### 4.2 Program Delivery Overview

Under the Recycling Regulation, Recycle BC assumed responsibility for establishing and operating a province-wide reverse supply chain for PPP in BC. This supply chain is comprised of a collection system and a post-collection system that involves the receipt of collected PPP and its consolidation, transport, processing and delivery to end markets while providing complete chain of custody reporting and validation.

With respect to collection services to BC residents, Recycle BC provides a financial incentive to local governments, First Nations and private companies that have chosen to deliver recycling collection services and resident education under a services agreement. In other cases, communities have elected to have Recycle BC directly manage their curbside recycling service. These local governments are no longer responsible for oversight or management of recycling services or resident communication regarding curbside recycling. In both cases, Recycle BC assumes financial responsibility for collection and post-collection activities.

Recycle BC procured a post-collection system through a competitive process, resulting in an efficient, province-wide, PPP transfer and sorting system to maximize the value and use of the recyclables and minimize redundancy.

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Recycle BC regularly reviews both its collection and post-collection operations to identify opportunities to increase efficiency and effectiveness.

### 4.3 Collection from Residents and Streetscapes

#### 4.3.1 Collection Qualification Standards

Recycle BC's approach to delivery of PPP collection services is to contract with collection service providers that meet Recycle BC's collection qualification standards. These standards are designed to assist Recycle BC in achieving its program targets and commitments. Recycle BC has established a set of collector qualification standards that include basic qualifications historically common to all PPP collectors, with additional requirements that enable tracking and reporting of sources and quantities of PPP as well as best practices to ensure an efficient and effective collection system.

Local governments, First Nations, private companies and not-for-profit organizations that meet collector qualification standards are eligible to serve as Recycle BC collectors, subject to the approach described below.

Recycle BC's collection qualification standards are available [here](#).

#### 4.3.2 Accepted Materials

Recycle BC targets PPP for collection that is supplied by producers, is compatible with the program's collection and processing system, and has commercially viable end markets consistent with the pollution prevention hierarchy. The list of accepted materials is expansive and is harmonized across the programs' entire provincial collection system. All but a small fraction of PPP supplied by producers is targeted for collection in Recycle BC's system and communicated to residents and collectors across the province as an accepted material type.

The material types accepted in Recycle BC's collection system can be summarized as follows:

- Paper and Cardboard – materials such as newspaper flyers, magazines, envelopes, gift wrap, cardboard and boxboard boxes, cardboard packaging, boxboard packaging, paper carrier trays and paper bags;
- Mixed Containers – materials such as rigid plastic bottles, jugs, jars, clamshells, trays and packaging, metal containers, paper cups for hot and cold beverages, cartons and boxes for cream, soup etc., and frozen dessert boxes;
- Glass Bottles and Jars – clear and coloured non-deposit glass bottles and jars;
- Plastic Bags and Overwrap – materials such as bags for groceries, bags for produce and dry bulk foods and outer bags and wrap for paper towels, soft drink flats etc.;
- Other Flexible Plastic Packaging – materials such as stand-up and zipper-lock pouches, crinkly wrappers and bags, flexible packaging with a plastic seal, non-food protective packaging and woven and net plastic bags; and
- Foam Packaging – white and coloured foam packaging such as foam meat trays, cups, egg cartons and cushion packaging.

Effective January 1, 2023, Recycle BC's collection system accepts single-use products and packaging-like products.

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A complete list of accepted materials is available [here](#).

Recycle BC's collection system excludes a small subset of PPP types that are uniquely disruptive to the program's collection or post-collection system and/or that do not have commercially viable end markets, referred to as not accepted PPP. Producers of these types of PPP are still required to pay fees on their supply to support the recycling system. Where opportunities are identified, these materials may also incur cost to develop strategies that move towards acceptance in the program's collection system. For more information on Recycle BC's producer fee structure, please refer to Section 2.4.

Recycle BC will regularly conduct the following activities as it relates to PPP types not currently accepted for collection (not accepted PPP), with the ultimate goal of accepting all PPP types supplied by producers in the program's collection system:

- Conduct analyses to estimate the percentage of supplied PPP that is accepted vs not accepted for collection;
- Complete a representative sample of composition audits of collected PPP to estimate the percentage of not accepted PPP included in collected PPP and its impact on the collection and post-collection system;
- Conduct research and analyses on the barriers to acceptance of not accepted PPP and best practices in other jurisdictions;
- Engage with processors and end markets to explore opportunities to target the collection of not accepted PPP without compromising the recyclability and value of accepted PPP types;
- Conduct pilots, where viable opportunities exist to provide new learnings, to target the collection and processing of applicable sub-categories of not accepted PPP.

### Compostable PPP

Some local governments in BC accept specific types of PPP such as soiled paper packaging in organic waste stream collection, although it is considered not acceptable material in the Organic Matter Recycling Regulation of BC (OMRR). In 2018, Recycle BC conducted research with five partner municipalities in BC to determine the amount of PPP being collected and managed in organic waste collection programs and the role that organic waste collection could have long-term in the overall post-collection management of PPP in British Columbia. The research demonstrates consistency in two meaningful ways:

- Of the PPP found in an organics bin, approximately 80% of this material is listed by the municipalities as acceptable material for putting in their green bin; and
- Of the PPP found in an organics bin, 90-95% of this material is paper.

The study report is available [here](#).

Potential amendments to OMRR are expected to provide updated definitions of untreated and unprocessed wood, non-recyclable paper material, and compostable plastic. Once finalized, Recycle BC will determine where these definitions overlap with categories of PPP. If the quantity of compostable PPP is significant, and Recycle BC is able to determine the quantity of PPP by material category recovered annually in organic waste collection programs (resource recovery to a beneficial use), Recycle BC will include the end-of-life disposition of this PPP in its Pollution Prevention Hierarchy report.

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Where these research efforts indicate both demand and technical feasibility, Recycle BC will develop financial incentives to promote the management of appropriate types of PPP in the organic waste stream. The outcomes of this process can also serve to guide Recycle BC members' decisions to incorporate compostable material into the design of their packaging and paper formats.

### ***4.3.3 Curbside Collection***

Curbside collection is defined as the collection of PPP from single-family dwellings, buildings with up to four households and row house complexes with any number of households where each household sets out material separately for collection by collection vehicles.

In many communities, Recycle BC delivers curbside collection to residents in partnership with local governments and First Nations, who have elected to act as collection contractors to Recycle BC. Appendix B outlines the eligibility criteria for local governments wishing to operate curbside collection programs as a contractor to Recycle BC. Local governments with existing or proposed curbside service areas that meet these criteria that are not currently included in the Recycle BC program are eligible to join the program, provided formal notice is provided to Recycle BC by May of the calendar year prior to the proposed onboarding date (to coincide with the development of Recycle BC's annual operating budget).

Recycle BC also provides curbside collection directly in communities where the local government has transitioned service to Recycle BC. In these communities, Recycle BC is responsible for all aspects of the management of curbside collection services to residents. Appendix B outlines the criteria for local governments that wish to have Recycle BC directly operate curbside collection in their communities. Local governments can also elect to operate curbside collection service outside of the Recycle BC program.

### ***4.3.4 Multi-Family Collection***

Multi-family collection is defined as the collection of PPP from residential complexes with five or more units where all households deposit their recycling at a centralized location in shared containers. Recycle BC delivers multi-family building collection services by contracting with local governments, First Nations and private companies that accept an established financial incentive to deliver multi-family building collection services. In some cases, households that would generally meet the definition for curbside collection receive multi-family collection (and vice versa) due to a range of unique operational variables.

Appendix B outlines the eligibility criteria for local governments and private companies wishing to operate multi-family collection programs as a contractor to Recycle BC. Local governments that meet these criteria are eligible to add multi-family service under the Recycle BC program, provided formal notice is provided to Recycle BC by May of the calendar year prior to the proposed onboarding date (to coincide with the development of Recycle BC's annual operating budget).

Each year, Recycle BC will review multi-family household participation levels 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 private companies in targeted service areas requiring increased multi-family participation.

To enable MOECCS assessment of continuous improvement of multi-family service within the Recycle BC program, Recycle BC will report a suite of metrics annually to the MOECCS for detailed review of multi-family expansion by the regulator. These metrics are outlined in Appendix E.

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### 4.3.5 Integrated Recycle BC Collection Services

In addition to curbside and multi-family collection, Recycle BC provides further recycling opportunities to residents to ensure accessibility across a range of geographic areas, community sizes and accepted PPP categories. Guidance on accessibility to collection services is provided by a number of recognized sources such as Statistics Canada, the Canadian Council of Ministers of the Environment, and Sustainable Cities and Society. A common theme is proximity and transportation means. To be environmentally responsible and have net positive outcomes, accessibility to collection services must take into account the location of existing community services (e.g., a primary shopping hub) and population centres in order to ensure collection locations make a meaningful contribution to collection volumes and to convenience without duplication of transportation. Recycle BC's integrated collection service plan is designed to be flexible to allow for relevant and innovative solutions for all types of communities.

To ensure accessibility, Recycle BC aims to provide Integrated Recycle BC Collection Services to communities across the province, including rural and remote communities. Integrated Recycle BC Collection Services can be understood to be a service or combination of services that provides regular opportunities for the collection of all categories of PPP accepted in the Recycle BC program. This can be achieved through a variety of methods, which may differ by community size and other variables, including:

- The inclusion of all categories of accepted PPP in curbside and multi-family collection programs;
- The use of depots, retail locations or mobile depots to provide additional collection opportunities to residents in communities with curbside and multi-family collection, in particular the categories of accepted PPP that are not collected through curbside and multi-family service; and
- The collection of all categories of accepted PPP at depots, retail locations or mobile depots.

Appendix C outlines Recycle BC's community eligibility criteria for Integrated Recycle BC Collection Services.

Each year, Recycle BC will actively recruit for collection partners in any community that meets this eligibility criteria that does not currently have Integrated Recycle BC Collection Services, with the goal of providing this level of service to all eligible communities. Recycle BC also assesses the need to expand its collection system on an annual basis to meet the program's recovery targets or to contribute to the efficiency and effectiveness of the collection system.

At present, depot collection service (whether combined with curbside and multi-family collection or as a stand-alone service) is the primary method through which Recycle BC provides Integrated Recycle BC Collection Services. Recycle BC provides depot collection service through agreements with local governments, First Nations and private companies. Depot collection is defined as the collection of PPP at a location operated by a local government, First Nation or private company under agreement with Recycle BC at which PPP is received from residents. The majority of depots in the Recycle BC program are local government landfills/ transfer stations and private companies that provide depot collection services for a number of material types.

Depots provide collection services of all categories of accepted PPP in smaller communities without curbside collection. They also provide additional collection opportunities to residents in communities with curbside and multi-family collection, in particular the categories of accepted PPP that are not collected through curbside and multi-family service.

Details on the locations of Recycle BC depots are available [here](#).

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Recycle BC will honour existing depot agreements with collectors that provide collection services in communities that do not meet the eligibility criteria outlined in Appendix C but may not take steps to replace this service if the current collection partner decides to no longer provide this service.

Recycle BC will also permit local governments to establish and operate satellite depots in communities that do not meet the eligibility criteria outlined in Appendix C, subject to Recycle BC review and approval. A satellite depot is an approved depot operating to specific standards, from which the collector (depot operator) transports the PPP to their principal depot for pick-up by the designated post-collection service provider.

Collection also occurs at participating retail locations. Recycle BC has also piloted the operation of “mobile depots” that accept PPP at a designated location and date that is advertised to local residents, the collection of materials at community events, and the collection of all accepted PPP categories (including Plastic Bags and Overwrap, Other Flexible Plastic Packaging and Foam Packaging) through curbside collection.

### **4.3.6 First Nations Collection**

#### **Recycle BC Engagement**

Recycle BC works with First Nations directly who choose to act as collection partners to provide collection services in their communities. A number of First Nation communities also receive curbside and multi-family collection through their inclusion in the service areas of other local governments and in areas where Recycle BC directly operates curbside collection. In addition, many First Nations communities are located near depots serviced by other local governments and private companies.

Recycle BC will expand First Nations collection access annually under the following initiatives:

- Provide a financial offer and services agreement to First Nations recycling programs each year that have developed the necessary recycling capacity in their community to fulfil the services agreement obligations, while working to maintain the continuity of the existing First Nations collection programs within its network;
- Continue to provide outreach and liaison for First Nation communities that have indicated they would like PPP collection, to build awareness and operational education on aspects such as material quality and contamination to assist in a transition to a recycling program;
- Continue to review existing curbside and multi-family collectors’ service areas to determine if they can include non-serviced First Nation communities in the same service area. If collection of a First Nation community can reasonably expand from adjacent curbside programs, Recycle BC will work with the local government or direct service collector to increase their service area and amend their contract;
- Continue to work collaboratively with First Nation communities on collection pilot initiatives such as the depot pilot for bulk drop-offs and the mobile depot pilot in conjunction with Indigenous Services Canada and the Indigenous Zero Waste Technical Advisory Group (IZWTAG);
- Participate in the First Nations Recycling Initiative to provide support and logistics coordination during spring and fall collection events in First Nations communities.

Each year Recycle BC will report First Nations access to collection services in its annual report.

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## First Nations Recycling Initiative

In 2017, Recycle BC founded the First Nations Recycling Initiative (FNRI). The initiative is a collaborative venture comprising nine BC stewardship agencies whose purpose is to support the collection and recycling of a wide variety of materials disposed by First Nation communities.

Led by a First Nations representative whose primary role is outreach and liaison, Recycle BC regularly conducts the following activities under the auspices of the FNRI:

- Publishes a recycling guide for First Nation communities interested in starting recycling programs;
- Attends First Nations events and visits First Nations communities to assess current recycling activities and provide guidance; and
- Organizes community clean ups and provides logistics and supplies to clean up events.

Each year the FNRI will establish goals and report outcomes for each participating stewardship organization's annual report.

### **4.3.7 Streetscape Collection**

Streetscape collection is defined as the collection of PPP on municipal property that is not industrial, commercial or institutional property, and comprises the following, which are collectively referred to as 'streetscape':

- Sidewalks which are municipal property, which adjoin buildings in an urban commercial area and which are used for pedestrian traffic; and
- Plazas or town squares which are municipal property, and which are available to the public; and Parks which are municipal property.

Recycle BC has conducted a number of streetscape pilots and waste composition audits of PPP collected in streetscape containers, most recently in 2022. As Recycle BC's pilot studies and audits demonstrated, PPP material can be collected but it is poorly sorted, heavily contaminated, wet with residual liquids, and unclean with food waste. Hazardous material can also be present. The difficulty in finding end markets for low quality mixed material demands that Recycle BC drive down contamination in collected materials. With very high levels of contamination, existing streetscape PPP collection practices may need to be revisited in their entirety.

In 2019 Recycle BC organized a roundtable discussion series on streetscape collection with local governments and in 2020 provided a financial incentive offer and services agreement to local government collectors to provide streetscape collection service. The supporting documents to Recycle BC's work on streetscape is posted [here](#).

The context for streetscape has continued to evolve since then. Streetscape collection as it is generally delivered today is not aligned to the Clean BC strategy. It currently represents an unacceptably high greenhouse gas emission-intensive process as compared to the data which has generally demonstrated poor environmental outcomes for materials resulting from extremely high contamination.

To address the challenges surfaced during Recycle BC's 2019-2020 streetscape consultation process, Recycle BC committed to undertake a number of activities necessary to a new streetscape program offer.



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To gauge the impact of municipal single-use product bags, Recycle BC completed a number of audits in 2022 of streetscape collection containers in the City of Vancouver to determine material composition and the appropriate disposal containers for recycling (paper and containers), organics and garbage.

By the end of 2022, Recycle BC will have developed a baseline standard for collection contamination as the threshold for entering the Recycle BC streetscape program and have set a minimum recycling rate (collected vs. marketable material) for end-of-life material management to ensure a positive environmental outcome for the program. Recycle BC will set a baseline standard that takes into consideration a pathway from reasonable entry metrics (baseline), through continuous improvement stages, to an optimal target level of contamination (goal), for the compensation offered. The program participation standard for local governments within the streetscape program will be adjusted upward over time from the initial baseline to incent environmental outcomes to continuously improve;

By the end of 2022, Recycle BC will also have developed an audit methodology that is practical and affordable to use to set and validate Recycle BC's program entry parameters for collection contamination, to ensure producers are funding a program for their materials and not other stewardship programs' materials or general waste.

Recycle BC's next steps for streetscape collection are outlined in Appendix F.

Eligible local governments are those with urban commercial areas with business activities that generate large amounts of PPP within municipalities with a population of 20,000 or more and a population density of 200 or more people per square kilometre.

Recycle BC's revised service and funding commitments, and program deliverables for streetscape, will be for its producer members' materials. For materials that fall under the responsibility of other stewardship programs, Recycle BC defers to the MOECCS for its direction to other programs.

As outlined above and in Appendix F, Recycle BC's revised streetscape program, including revised financial incentive and service agreement, is dependent upon other activities beyond Recycle BC's control, to ensure that the three principles of trust, cost, and fairness are respected. Nonetheless, Recycle BC has developed a path towards a streetscape program, mitigating external influences where possible and providing concrete timelines for action. Going forward, as the MOECCS implements amendments to Organic Matter Recycling Regulation, Recycle BC will consider the impact of these changes on its financial incentive and service agreement offering.

### ***4.3.8 Financial Incentive Methodology***

Consistent with an outcomes-based approach to program operations, Recycle BC offers financial incentives to collectors participating in the program. These incentives are designed to provide collectors with sufficient incentive to collect the amount of PPP required by Recycle BC to meet its targets and to cover fair and reasonable collection costs borne by contracted collectors operating efficient programs.

Towards the end of each contract term Recycle BC develops a set of revised financial incentives that are proposed to collectors in conjunction with new services agreements. The steps to prepare the revised financial incentives are:

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- Undertake a collection cost study and associated analyses to assess existing incentives in the current market context and any necessary adjustments in order to propose revised financial offers for consultation with collectors;
- Hold consultation sessions with collectors to review the proposed financial offers, discuss, answer questions and request feedback; and
- Review all feedback provided to finalize the financial incentives that will comprise part of the published collection services agreements.

Recycle BC's collection cost study process is used to determine current collection costs and compare current costs to historical costs over a five-year period. Data for curbside, multi-family, depot and streetscape collection costs are provided by collectors to an independent third-party accountant. Promotion and education (P&E) and service administration are also included in the study to determine a fair commercial price for the necessary collection costs. Collection cost studies are overseen by the Recycle BC Advisory Committee.

Recycle BC's objective is to set fair and reasonable financial incentives applicable to all categories of accepted PPP. To determine the applicable changes needed to the existing incentives, Recycle BC analyzes the following information:

- Collection cost, as reported by collectors through the collection cost study, including potential differences by:
  - Collection channel, including curbside, multi-family, depot and streetscape;
  - Geography, including urban and rural;
  - Community density;
  - Collection attributes such as number of streams and container types;
  - Collector type;
  - Categories of accepted PPP; and
  - Any unique drivers of collection cost.
- Program data, including collection performance by collection channel;
- Contamination levels and other operational metrics and their impact on total supply chain costs;
- Inflationary factors including a review of the BC Consumer Price Index;
- Applied or proposed service performance requirement changes since the prior collection service agreements were established that may have an impact on collection cost; and
- Impact of existing incentive structure and rates on incentivising best practices and improved environmental outcomes, including collection cost efficiencies, high collection rates, low contamination rates and greenhouse-gas reductions.

Costs associated with collection in communities that do not meet the eligibility criteria outlined in Appendix C, including the operation of applicable depots and satellite depots, will be excluded from collection cost studies.

The proposed financial incentive rate derived from the above process is presented for consultation to collectors through a separate collection cost consultation process when applicable. Specific feedback by collectors is essential to this process. To review the results of past collection cost studies and the financial incentive consultations, please see [here](#).

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Once new collection service agreements have been published inclusive of the revised financial incentives, each applicable collector must then decide whether to renew its collection service agreement with Recycle BC.

Recycle BC last conducted a collection cost study in 2020, which resulted in the application of new depot incentive rates effective January 1, 2022 and new curbside and multi-family incentive rates effective July 1, 2022. The timeline for the next collection cost study and its application to collection service agreements is outlined in Appendix F.

### 4.4 Post Collection

Post-collection services include receiving PPP from collection vehicles, picking up PPP from depots, consolidation and transfer of PPP where required, handling and sorting PPP, preparing PPP for shipment to end markets, marketing PPP to maximize commodity revenue, appropriately managing residual materials, as well as reporting the quantities of material received from collectors, sent to end markets, received at end markets, and other metrics to Recycle BC as required.

Recycle BC contracts directly for post-collection services. The post-collection partner(s) is considered the first receiver of collected PPP and is responsible for marketing processed PPP to end markets approved by Recycle BC. The post-collection partner(s) may engage subcontractors to provide any parts of the services with the goal to make an effective and efficient post-collection network.

The Recycle BC post-collection network focuses on five key outcomes:

- Investment in recycling infrastructure;
- System efficiency with minimal redundancy;
- Prioritization of local end markets;
- Clear and transparent business processes; and
- Ongoing innovation and technology.

A post-collection partner must adhere to these outcomes while meeting the post-collection requirements which include but are not limited to price, locations, capability, capacity, capture rates, and marketed material quality.

Recycle BC, in partnership with its post-collection partner(s), is focused on ensuring the continued adaptability and resiliency of the post-collection network and the ability to provide efficient and effective services to collection contractors in the face of evolving local, regional, and global challenges.

The scale and stability of Recycle BC's program, coupled with the consistency and quality of the material collected, allows for ongoing investments in the post-collection network. These investments are designed to increase access to local and regional end markets, reduce greenhouse gas emissions, and build resiliency into the operations. The post-collection network, with its ongoing investment in state-of-the-art sorting technology and the ability to sort both paper and container streams into a wide range of high-quality commodity grades, ensures the material collected in the Recycle BC program is desired by recycling end markets both locally and overseas.

Recycle BC regularly conducts due diligence on the end markets for its material to ensure they are recycled and managed in a responsible manner. When selecting end markets for materials, Recycle BC gives priority first to local markets, then regional markets, then to those located in countries that are members of the

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Organization for Economic Co-operation and Development (OECD). Recycle BC will allow marketing of processed PPP to packaging and paper end markets located in countries that are not members of OECD only if the end market meets or exceeds environmental, health and safety standards equivalent to OECD standards. Recycle BC commits to providing oversight to the recycling and recovery of PPP by visiting the approved end market destinations of the marketed materials over the lifespan of this five-year Program Plan.

Recycle BC ensures the complete chain of custody of its material by recording and tracking the material from the point it is received from a collector up until its receipt at an approved end market. This information is subject to review as part of a third-party verification process outlined in Section 5.5 below.

### 4.5 Dispute Resolution

Recycle BC seeks to balance the principles of access, efficiency, fairness and equitable outcomes in the design of its dispute resolution mechanisms. Dispute resolution processes are tailored to the nature of disputes as well as the likely parties to a typical dispute. The objectives of the dispute resolution process are to manage disputes to resolution rather than adjudication, earlier and faster and at a reduced cost to all parties involved.

The following suite of alternative dispute resolution processes is used:

Dispute Type	Path of Escalation/Resolution
<b>Residents</b>	<ul style="list-style-type: none"> <li>• Discussion with Recycle BC management</li> <li>• If unresolved, involvement of the Recycle BC Advisory Committee</li> </ul>
<b>Collectors and processors</b>	<ul style="list-style-type: none"> <li>• Discussion with Recycle BC senior management</li> <li>• Facilitation: to prevent escalation and to explore interests/remedies</li> <li>• Mediation: to be used if facilitation is unsuccessful. Process to be specified in commercial agreements regarding selection of mediator, roles of parties, time and place of mediation, conduct of mediation, length, responsibility for fees/costs, confidentiality, conclusion of mediation by agreed settlement or final settlement proposal by the mediator</li> <li>• Arbitration: to be used if mediation is unsuccessful; process to be specified in commercial agreements regarding notice of arbitration, submission of written statements, place and conduct of meetings and hearings, the process for rendering and delivering decisions; jurisdiction and powers of the arbitrator, allocation of costs/fees; application of the B.C. Arbitration Act (RSBC 1996)</li> </ul>

The dispute resolution process described above for collectors and processors is contained in Recycle BC's services agreement (Master Services Agreement, Section 14, Dispute Resolution).

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## 4.6 Communications

The Recycling Regulation requires that, as part of the Program Plan, Recycle BC design and deliver an effective resident education program that achieves two primary objectives:

- Increase resident awareness of the program features and benefits through communication activities; and
- Engage and encourage residents to make informed and correct decisions concerning the preparation and management of PPP for collection and recycling by employment of general and targeted promotion and education (P&E) activities.

To achieve the above objectives, Recycle BC employs the following strategies:

- **Awareness campaigns** – Recycle BC conducts targeted awareness campaigns independently or in partnership with stakeholders, such as other EPR agencies, producers, local governments, and community-based organizations;
- **Strategic partnerships** – Recycle BC partners with organizations with targeted local or provincial market penetration to broaden the reach and raise the profile and awareness of the program. Recycle BC also partners with the Stewardship Agencies of BC (SABC) and the Recycling Council of BC (RCBC) on shared education strategies across BC’s many EPR programs;
- **Collector resources** – Recycle BC makes resources available to collectors to be used to help educate their residents on various aspects of the Recycle BC program. In many instances templates are available for customization;
- **Additional resident communication** – Recycle BC communicates directly with residents about various program elements including accepted and not-accepted materials, depot locations, collection schedules, contests, special projects, events, etc. using various channels, including its website and social media; and
- **Research** – Recycle BC regularly conducts quantitative research to gather accurate provincial information on recycling habits, service levels, brand and program awareness.

Recycle BC will align and adapt communications activities to achieve the above resident education objectives and meet program performance targets. The strategic direction and focus of these activities will primarily be informed by consumer research and program results.

In keeping with its continuous improvement program, Recycle BC will employ the above strategies to target and improve any areas of material underperformance in the recycling system. For example, if research indicates that a particular demographic is not participating in the recycling program, a promotion and education campaign will be targeted towards that group.

Similarly, if certain accepted materials have a lower than desired recovery rate, or a specific non-obligated material is consistently found in the recovered material, targeted campaigns will be conducted to improve performance. Over the next five years of its mandate Recycle BC will closely monitor program performance to strategically plan its annual consumer awareness and education campaigns and will seek opportunities to work with stakeholder partners to increase program performance.

Recycle BC will continue to report on its educational strategies and materials in the “Public Education” section of its annual report.

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## 5. Program Performance

### 5.1 Managing Environmental Impacts

Recycle BC works to reduce the environmental impact of producers' PPP by managing the collection, processing, and marketing of this material. This involves partnering with communities on collection and overseeing the sale of processed material to approved end markets. The program also seeks to innovate by engaging with producers to advance the recycling of various materials and finding new ways to encourage source reduction, re-use, and good recycling practices.

Plastic packaging comes in a wide range of materials and designs and is constantly evolving, which places a burden on residents, businesses and governments looking to understand which options are the most sustainable. This can hamper recycling efforts and lead to plastic packaging ending up in the landfill or the environment.

Many Recycle BC producer members are innovating sustainable design as part of the Canada Plastics Pact (CPP), which was launched in January 2021 and provides the opportunity for businesses across the plastics value chain to address plastic pollution in a collaborative manner.

The CPP is a member of the global Ellen MacArthur Foundation Plastics Pact Network that brings together country or regional efforts to implement solutions towards a circular economy for plastics. Signatories to the CPP have committed to achieving the following targets by 2025 and will report annually on their progress:

- Support efforts towards 100% of plastic packaging being designed to be reusable, recyclable or compostable;
- Undertake actions to ensure that at least 50% of plastic packaging is effectively recycled or composted; and
- Ensure an average of at least 30% (by weight) recycled content across all plastic packaging; and eliminate problematic or unnecessary plastic packaging.

In early 2022, the CPP introduced the nine Golden Design Rules that provide a clear framework to drive innovation and actions that will result in less plastic packaging overall and easier to recycle plastic packaging by 2025. The Golden Design Rules aim to change how packaging is designed to keep it in the economy and out of the environment. Details about the nine Rules are available on the [CPP microsite](#):

1. Increase Value in PET Recycling
2. Remove Problematic Elements from Packaging
3. Eliminate Excess Headspace
4. Reduce Plastic Overwraps
5. Increase Recycling Value for PET Thermoformed Trays and Other PET Thermoformed Packaging
6. Increase Recycling Value in Flexible Consumer Packaging
7. Increase Recycling Value in Rigid HDPE and PP
8. Reduce Virgin Plastic Use in Business-to-Business Plastic Packaging
9. Use On-Pack Recycling Instructions

Smart and sustainable design ensures plastic packaging is properly recycled, helps keep it out of the environment and reduces GHG emissions. These initiatives are important because improved recyclability

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and increased recycled content, coupled with a full producer responsibility program, provide a pathway to a circular economy for materials.

When producers take full responsibility for their materials, they are in a better position to recover them as inputs into new manufacturing processes and capture the maximum value from these resources. Producers are also investing in developing innovative alternatives to single-use plastics and other problematic items included in new federal and provincial regulations.

### 5.2 Pollution Prevention Hierarchy

The following activities outline how the Recycle BC program and Program Plan will adhere to the pollution prevention hierarchy:

Pollution Prevention Hierarchy	Activity
Reduce the environmental impact of producing the product by eliminating toxic components and increasing energy and resource efficiency	<ul style="list-style-type: none"> <li>• Initiatives undertaken by individual producers</li> <li>• Producer fees are based on weight thereby encouraging the elimination or reduction of materials supplied to consumers</li> </ul>
Redesign the product to improve reusability or recyclability	<ul style="list-style-type: none"> <li>• Initiatives undertaken by individual producers</li> <li>• Program Plan encourages redesign through cost allocation that rewards easier-to-recycle materials</li> <li>• Recycle BC regularly reviews its fee structure and inputs to ensure accurate information about which materials have significant cost impacts on the system to encourage packaging redesign and foster adoption of best practices such as those expressed by the CPP's Golden Design Rules</li> </ul>
Eliminate or reduce the generation of unused portions of a product that is consumable	<ul style="list-style-type: none"> <li>• Not applicable as packaging and paper product are not consumable</li> </ul>

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Pollution Prevention Hierarchy	Activity
Reuse the product	<ul style="list-style-type: none"> <li>• Initiatives undertaken by individual producers</li> <li>• Program Plan encourages reuse through cost allocation that presumes supplied materials only enter the marketplace once</li> <li>• Recycle BC actively engages in exploring reuse opportunities and works with program stakeholders to identify the value Recycle BC can bring to the reusable packaging market, including whether/how Recycle BC's reverse supply chain system can be leveraged for system efficiencies</li> </ul>
Recycle the product	<ul style="list-style-type: none"> <li>• Program Plan utilizes payments to service providers to encourage collection and processing of PPP to meet recycling end-market requirements</li> <li>• Work directly with interested producers and develop strategies to improve recyclability and increase recycled content in supplied PPP while leveraging program investments as applicable</li> </ul>
Recover material from the product	<ul style="list-style-type: none"> <li>• Primary and downstream processors are encouraged to further process system residues to meet recovery end-market requirements for engineered fuel products and minimize the amount of residue sent to landfill</li> <li>• Research and development to explore ways to recover material that is currently non-recyclable</li> </ul>
Recover energy from the product	<ul style="list-style-type: none"> <li>• PPP collected by Recycle BC through its program is not sent to energy-from-waste facilities</li> </ul>
Otherwise dispose of the waste from the product in compliance with the Act	<ul style="list-style-type: none"> <li>• Post-collection partner(s) are required to manage residue in compliance with the Act</li> </ul>

### 5.3 Performance Targets

Recycle BC will seek to achieve two primary performance targets, based on two levels of program performance:



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### 5.3.1 Program Recovery Rate

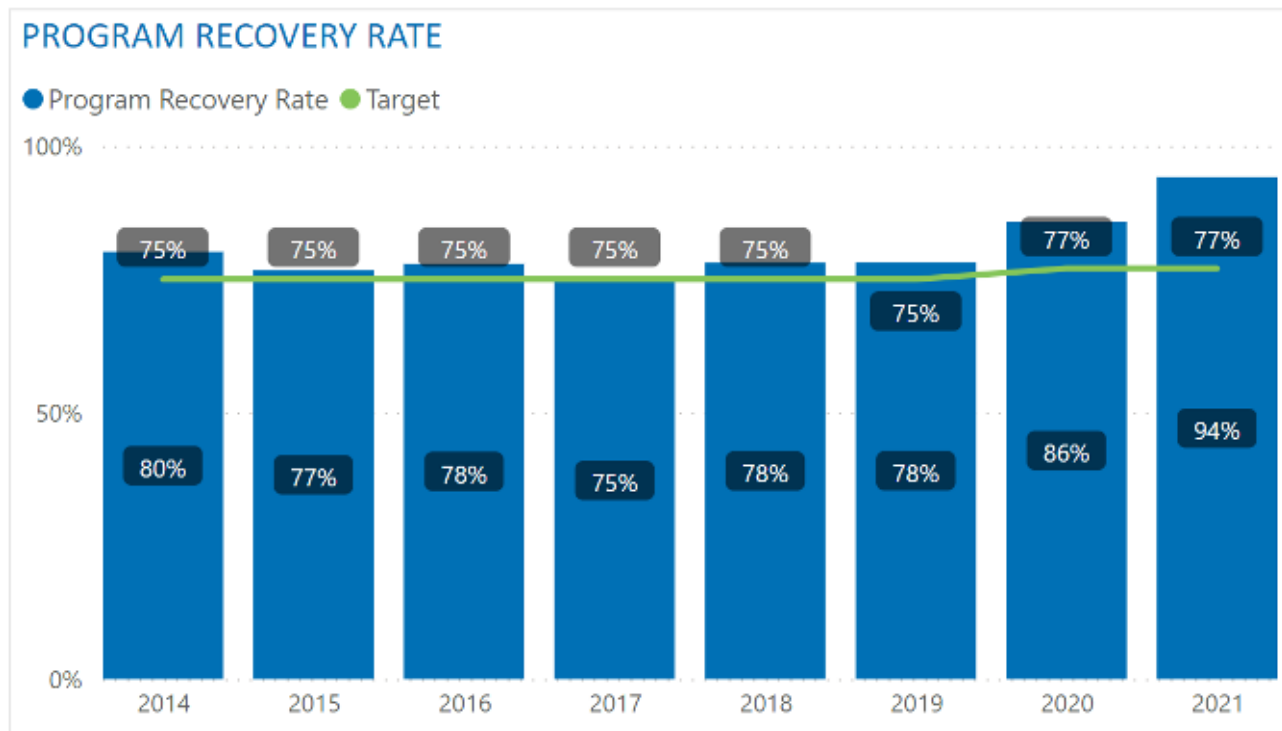
Under the Recycling Regulation, the program is expected to achieve a 75% recovery rate, or another recovery rate established by the director. The recovery rate is defined in Section 1 of the Recycling Regulation as “the amount of product collected divided by the amount of product produced, expressed as a percentage.”

Every load of material collected in the PPP program is recorded, reviewed, verified, and approved by Recycle BC. Annually, an independent auditor performs an assurance audit on collected quantities reported by Recycle BC to verify the data used to calculate the reported recovery rate. Recycle BC also reviews the reported quantities of PPP producer members supply to residents of British Columbia and these quantities are also subjected to periodic third-party assurance audits.

Consistent with the regulatory requirement stated above, the total verified collected quantity (in tonnes) divided by the total verified supplied quantity (in tonnes) yields the program recovery rate. Due to the nature and timeline of reporting the supplied quantity by the program’s producer members, the year of the supplied quantity always lags the year of the collected quantity by two years. As an example, the 2021 program recovery rate as reported in the 2021 Annual Report was calculated as:

$$\frac{214,273 - \text{Collected Quantity in 2021 (tonnes)}}{227,603 - \text{Supplied Quantity in 2019 (tonnes)}} = 94.7\% \text{ 2021 Program Recovery Rate}$$

To date, Recycle BC has met the program recovery rate target each year since the program’s launch in 2014. The chart below outlines the program recovery rates since the inception of the Recycle BC program in 2014 and the program targets as outlined in the 2013 and 2018 Program Plans:



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Appendix D outlines Recycle BC's proposed program recovery rate targets moving forward.

### 5.3.2 Material Category Performance Targets

In 2017, Recycle BC was the first jurisdiction in North America to set material category performance targets for packaging and paper product and has reported against them on an annual basis since then. These material categories include:

- Paper;
- Plastic, further broken into two sub-categories:
  - Rigid Plastic (including PET, HDPE, PP, PS and other plastics such as #7);
  - Flexible Plastic (including Plastic Bags and Overwrap and Other Flexible Plastic Packaging);
- Metal; and
- Glass.

The material category performance targets came into effect for the 2018 collection year and included a year to achieve each target. Since then, these targets have been adjusted twice as Recycle BC achieved the established targets for two consecutive years - once in 2020 for Metal and Glass and once in 2021 for Plastic, Rigid Plastic, and Flexible Plastic. The chart below summarizes Recycle BC's historic material category performance targets and the corresponding recovery rates per year achieved by the program to date.

Material Category		2017	2018	2019	2020	2021	2022
Paper	Recovery Rate	87%	86%	83%	90%	101%	
	<b>Target</b>	n/a	90% by 2022				
Plastic	Recovery Rate	41%	42%	46%	52%	55%	
	<b>Target</b>	n/a	50% by 2025			58% by 2025	
Rigid Plastic	Recovery Rate	50%	54%	56%	64%	67%	
	<b>Target</b>	n/a	55% by 2022			73% by 2023	
Flexible Plastic	Recovery Rate	20%	19%	22%	24%	28%	
	<b>Target</b>	n/a	22% by 2022			27% by 2023	
Metal	Recovery Rate	66%	67%	73%	85%	83%	
	<b>Target</b>	n/a	67% by 2020		81% by 2022		
Glass	Recovery Rate	72%	78%	87%	97%	116%	
	<b>Target</b>	n/a	75% by 2020		98% by 2022		

Legend: Target Achieved

Once a material category performance target was achieved for two consecutive years, the target was adjusted using the following methodology:

Variable	Definition	Short Form
Latest Material Specific Collected Quantity	Amount of collected material (tonnes) in the specific material category in the latest available full collection year.	Latest Collected Qty

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Material-Specific Collection Growth	Material-specific growth in collection over the last three calendar years	Collection Growth
Program Collection Growth	Estimated growth in gross collection over three years (including the year of proposal)	Program Growth
Latest Material Specific Supplied Quantity	Amount of supplied material (tonnes) in the specific material category in the latest available full supply year.	Latest Supplied Qty
Material-Specific Supplied Growth	Material-specific growth in producer member supplied quantities based on their regulatory reporting in the last three calendar years	Supplied Growth

$$\frac{\text{Latest Collected Qty} \times (1 + \text{Collection Growth}) \times (1 + \text{Program Growth})}{\text{Latest Supplied Qty} \times (1 + \text{Supplied Growth})}$$

In this methodology, the supply data used lags the collection data by two years, due to the timing required for producer members to report their supply data and a third-party audit to take place to validate the supply numbers. For example, in the 2021 Annual Report, the 55% material category recovery rate of Plastic is calculated as follows:

$$\frac{34,461 - \text{Plastic Collected Quantity in 2021 (tonnes)}}{62,379 - \text{Plastic Supplied Quantity in 2019 (tonnes)}} = 55\% \text{ Plastic Recovery Rate}$$

Appendix D outlines Recycle BC's proposed material category performance methodology and targets moving forward.

### 5.4 Performance Metrics

Recycle BC reports on the performance of the program in an annual report submitted to the MOECCS and posted on its website by July 1 each year. A comprehensive list of the performance metrics that will be reported each year by Recycle BC is available in Appendix E to this Program Plan. Recycle BC includes a reasonable assurance opinion of the accessibility indicators and operational effectiveness indicators by a third-party in its annual report.

### 5.5 Third-Party Assurance

Stakeholders can be confident in the metrics reported by Recycle BC because each year Recycle BC is subject to third-party assurance for non-financial information in the annual report. Annually, Recycle BC provides its auditors with the Guidance document provided by the Ministry of Environment and Climate Change Strategy to ensure the objectives of the audit are satisfied.

The findings of the third-party assurance audit are included in the Recycle BC annual report.

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## 6. Consultation

Recycle BC's draft Program Plan was posted on the Recycle BC website on September 29, 2022 and distributed to program stakeholders.

Between October and December 2022, Recycle BC will be conducting a detailed public consultation process on this draft Program Plan.

Consultation sessions will be held with the following stakeholder groups:

- Recycle BC producer members;
- Producer associations;
- Recycle BC Advisory Committee;
- Recycle BC service providers (local governments, First Nations and private companies) through a two day in-person conference and consultation event (October 6 & 7);
- First Nations;
- Regional Districts; and
- Environmental groups.

Written feedback and comments will be accepted by Recycle BC until December 31, 2022 and can be submitted to [consultation@recyclebc.ca](mailto:consultation@recyclebc.ca)

Webcasts of the consultation will be posted once available [here](#). A detailed consultation report summarizing the feedback received will be posted once available and will be included as Appendix G of the final version of the Program Plan prior to submission to the MOECCS.

# Packaging and Paper Product Extended Producer Responsibility Plan

## Appendix A – Definition of Producer for the Purposes of Producer Obligations and Reporting

“**Brand**” is a trademark.

“**Brand Owner**” is a Person with a Substantial Connection to British Columbia who uses the product in a commercial enterprise, sale, offer for sale or distribution in British Columbia and who is:

- (a) the owner of the registered or unregistered trademark; or
- (b) a licensee of the registered or unregistered trademark, where “licensee” includes a person who packages goods and includes any person whose corporate name or business name registration contains the trademark.

“**Consumer**” means an individual (other than a Person in the Industrial, Commercial or Institutional (IC&I) sector) to whom Packaging or Paper Product is Supplied.

“**First Importer**” is a Person with a Substantial Connection to British Columbia who imports Packaging or Paper Product into British Columbia or is the first to take possession or control of Packaging or Paper Product in British Columbia for use in a commercial enterprise, sale, offer for sale or distribution in British Columbia and for which a Brand Owner does not exist.

“**Franchisor**”, “**Franchisee**”, “**Franchise System**”, or “**Subfranchise**” have the meaning ascribed to these terms in the *Franchises Act* or as may be amended or replaced from time to time:

<http://www.bclaws.ca/civix/document/id/lc/statreg/15035> .

This includes Franchisors who conduct business in British Columbia through their British Columbia Franchise System, regardless of whether the Franchisor has a Franchisor-owned fixed place of business in British Columbia.

“**IC&I Material**” means Packaging or Paper Product which is supplied to the industrial, commercial, or institutional sector and which is not subsequently Supplied to Consumers.

“**Person**” means an individual, partnership, joint venture, sole proprietorship, corporation, government, trust, trustee, executor, administrator or any other kind of legal personal representative, unincorporated organization, association, institution, or entity.

“**Producer**” means the Person who is obligated with respect to the Packaging or Paper Product, and includes any person who elects to become a Voluntary Producer in accordance with Recycle BC’s policies.

“**Substantial Connection to British Columbia**<sup>8</sup>” means:

1. In the case of Franchisors, it includes Franchisors who conduct business in British Columbia through their British Columbia Franchise System, regardless of whether the Franchisor has a Franchisor-owned fixed place of business in British Columbia; and
2. In the case of all other producers, the person:

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<sup>8</sup>This definition is consistent with the guidance provided by the Canadian Council of Ministers of the Environment (“**CCME**”), which recently released a document entitled “Guidance to Facilitate Consistent Extended Producer Responsibility Policies and Programs for Plastics” found here: <https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:0b9a3032-fae7-35f3-9878-1851d134787b>. “Residency” as a threshold requirement to obligate a producer to EPR legislation is discussed at pp. ii, iii, iv, and 13, among other places.

## Packaging and Paper Product Extended Producer Responsibility Plan

- a) Has a permanent establishment in British Columbia, where “permanent establishment” includes branches, mines, oil wells, farms, timberlands, factories, workshops, warehouses, offices, agencies and other fixed places of business; or
- b) Meets one of the following criteria:

- i. Contracting Employees or Inventory Sufficient**

- Where a corporation carries on business through an employee or agent who has general authority to contract for the corporation or who has a stock of merchandise owned by the corporation from which the employee or agent regularly fills orders which the employee or agent receives, such employee or agent shall be deemed to operate a permanent establishment of the corporation.

- ii. Commission Agent not Sufficient**

- The fact that a corporation has business dealings through a commission agent, broker or other independent agent shall not of itself be deemed to mean that the corporation has a permanent establishment.

- iii. Subsidiary of Parent not Sufficient**

- The fact that a corporation has a subsidiary controlled corporation in a place or a subsidiary controlled corporation engaged in a trade or business in a place shall not of itself be deemed to mean that the first-mentioned corporation is operating a permanent establishment in that place.

- iv. Licensed Insurance Company Sufficient**

- An insurance corporation is deemed to have a permanent establishment in each jurisdiction in which the corporation is registered or licensed to do business.

- v. Purchasing Office not Sufficient**

- The fact that a corporation maintains an office solely for the purchase of merchandise shall not of itself be deemed to mean that the corporation has a permanent establishment in that office.

- vi. Ownership of Land Sufficient**

- Where a corporation, otherwise having a permanent establishment in Canada, owns land in a province or territory of Canada, such land is a permanent establishment.

- vii. Production Packing and other Activities Sufficient**

- The fact that a non-resident corporation in a year produced, grew, mined, created, manufactured, fabricated, improved, packed, preserved or constructed in whole or in part anything in Canada, whether or not the corporation exported that thing without selling it prior to exportation, shall of itself, be deemed to mean that the corporation maintained a permanent establishment at any place where the corporation did any of those things in the taxation year.

- viii. Machinery or Equipment Sufficient**

- The use of substantial machinery or equipment in a particular place at any time in a year of a corporation constitutes a permanent establishment of such corporation in that place for such a year.

## Packaging and Paper Product Extended Producer Responsibility Plan

### ix. Principal Place of Business Sufficient

Where a corporation has no fixed place of business, it has a permanent establishment in the principal place in which the corporation's business is conducted.

### x. Charter or By Laws designating Head or Registered Office Sufficient

Where a corporation does not otherwise have a permanent establishment in Canada, it has a permanent establishment in the place designated in its charter or by-laws as being its head office or registered office.

**“Service Packaging”** means packaging which may or may not bare a Brand that is Supplied at the point of sale by the retail, food-service or other service providers to facilitate the delivery of goods, and includes all bags, boxes, and other items for the containment of goods at point of sale.

**“Supplied”** means sold, leased, donated, disposed of, used, transferred the possession of or title of, or otherwise made available to a Consumer in British Columbia or distributed for use by a Consumer in British Columbia. Supply and Supplies have similar meanings.

**“Voluntary Producer”** means any non-resident Brand Owner who elects to become a member of Recycle BC in accordance with Recycle BCs policies and membership agreement.

## DESIGNATION OF PRODUCERS

In alignment with the BC Recycling Regulation and for the purposes of the Program Plan, the producer for a specific unit of packaging or paper product or service packaging is the first person that satisfies the following criteria:

<b>Recycling Regulation</b>	<b>Program Criteria Based on Recycling Regulation</b>	
<i>(i) a person who manufactures the product and uses in a commercial enterprise, sells, offers for sale or distributes the product in British Columbia under the manufacturer's own brand,</i>	<i>A person who:</i>	<i>Notes:</i>
	<i>a. Manufactures the product; AND</i>	
	<i>b. under the manufacturer's own brand, the person who:</i>	<i>The manufacturer must also be the brand holder of the product.</i>  <i>The brand holder must satisfy the “Substantial Connection to British Columbia” criteria outlined above.</i>
	<i>uses the product in a commercial enterprise, sells, offers for sale or distributes the product, in British Columbia</i>	<i>This provision does not apply to PPP associated with products used in the industrial, commercial or institutional (IC&amp;I) setting, except for street scape disposal.</i>
	<i>A person who:</i>	

## Packaging and Paper Product Extended Producer Responsibility Plan

<p><i>(ii) if subparagraph (i) does not apply, a person who is not the manufacturer of the product but is the owner or licensee of a trademark under which a product is used in a commercial enterprise, sold, offered for sale or distributed in British Columbia, whether or not the trademark is registered, or</i></p>	<p><i>a. is not the manufacturer/brand holder, BUT</i></p>	
	<p><i>b. is the owner or licensee of the brand, AND</i></p>	<p><i>Applies only where the brand owner or licensee is not the manufacturer of the product.</i></p> <p><i>The brand holder must satisfy the “Substantial Connection to British Columbia” criteria outlined above.</i></p>
	<p><i>c. in British Columbia, uses the product in a commercial enterprise, sells, offers for sale or distributes the product</i></p>	<p><i>This provision does not apply to PPP associated with products used in the industrial, commercial or institutional (IC&amp;I), except for street scape disposal.</i></p>
<p><i>(iii) if subparagraphs (i) and (ii) do not apply, a person who imports the product into British Columbia for use in a commercial enterprise, sale, offer for sale or distribution in British Columbia</i></p>	<p><i>A person who:</i></p>	
	<p><i>a. is not the manufacturer/brand holder; AND</i></p>	
	<p><i>b. is not the brand owner or licensee of the brand, BUT</i></p>	
	<p><i>c. imports the product into British Columbia for use in a commercial enterprise, sale, offer for sale or distribution in British Columbia</i></p>	<p><i>This person is known as the “first importer”.</i></p> <p><i>The first importer must satisfy the “Substantial Connection to British Columbia” criteria outlined above.</i></p>

The obligations of “small producers” and “franchise systems” will continue to be determined in accordance with the Recycling Regulation and the Government’s policy guidance, as may be updated from time to time.<sup>9</sup>

### **Producers for Service Packaging**

Any Person that Supplies Service Packaging in British Columbia at the point-of-sale shall be the Producer for such Service Packaging.

### **Franchisor is Obligated to Report for its British Columbia Franchisees**

A Franchisor is obligated to report for its British Columbia Franchisees with respect to all Packaging and Paper Product which is Supplied within the Franchisor’s British Columbia Franchise System.

<sup>9</sup> See <https://www2.gov.bc.ca/assets/gov/environment/waste-management/recycling/recycle/paper-package/sm-producer-definition-policy-interp.pdf>



## **Packaging and Paper Product Extended Producer Responsibility Plan**

### **More Than One Brand Owner for the Same Packaging or Paper Product**

If there is more than one Brand Owner for the same Packaging or Paper Product, the Brand Owner more directly connected to the production of the Packaging or Paper Product shall be deemed to be the Producer.

### **Products Containing Two or More Independent Brands**

If products containing two or more independent Brands are packaged to be Supplied together, the Brand Owner, First Importer or Franchisor most directly connected to the joint Packaging shall be designated as the Producer for the joint Packaging.

# Packaging and Paper Product Extended Producer Responsibility Plan

## Appendix B – Curbside and Multi-Family Eligibility Criteria

### Curbside Eligibility – Programs Established by 2014

All PPP curbside collection programs that were operated by local governments as of May 2014 are eligible to be serviced under the Recycle BC program through a partnership between the local government and Recycle BC.

### Curbside Eligibility – Municipalities

PPP curbside collection programs operated by local governments in communities that did not have programs as of May 2014 are eligible to be serviced under the Recycle BC program through a partnership between the local government and Recycle BC, provided each of the following criteria are met:

- The community represents an incorporated municipality;
- The community has a minimum population of 5,000 residents; and
- A curbside garbage collection program is in place and operated by the municipality or scheduled to launch no later than coinciding with the introduction of PPP curbside collection.

### Curbside Eligibility – Equivalent Unincorporated Areas

The following criteria is intended to provide eligibility to unincorporated areas with equivalent levels of density as municipalities.

PPP curbside collection programs operated by Regional Districts in unincorporated areas are eligible to be serviced under the Recycle BC program through a partnership between the Regional District and Recycle BC, provided each of the following criteria are met:

- The proposed service area has a minimum population of 5,000 residents;
- The proposed service area has a minimum household density of 0.42 households/hectare;
- There is a maximum distance of 20 km between proposed Service Area Sections; and
- A curbside garbage collection program is in place in the proposed service area or scheduled to launch no later than coinciding with the introduction of PPP curbside collection.

For clarity, the following definitions are provided:

- *Minimum household density*: Defined as total occupied dwellings divided by total hectares in proposed service area, excluding non-populated areas (parks, crown lands, etc.) and areas not proposed to be serviced;
- *Maximum distance*: Calculated by the distance of navigable roads from respective edges of service area sections, with a maximum number of three gaps greater than 10 km up to a maximum 20 km in distance between service area sections. Island and ferry accessed communities are considered a single service area and must meet all criteria independently; and
- *Curbside garbage*: Program must be managed as a coordinated service directly by the Regional District and excludes subscription service whereby households contract with one or more collection contractors directly.

## Packaging and Paper Product Extended Producer Responsibility Plan

This criteria applies only to unincorporated areas and only to newly proposed service areas, not to expansion of existing service areas by Recycle BC collectors.

### Curbside Eligibility - Adjacent Areas

The following outlines the eligibility criteria for densely populated areas immediately adjacent to existing municipal service areas.

Areas outside municipal jurisdictions that are adjacent to existing PPP curbside collection service areas included in the Recycle BC program are eligible to be serviced under the Recycle BC program provided each of the following criterion are met:

- The proposed adjacent area has a maximum population of 4,999 residents;
- The proposed adjacent area has a minimum household density of 0.42 households/hectare;
- There is a maximum distance of 5 km between an existing curbside service area included in the Recycle BC program and the proposed adjacent area;
- A curbside garbage collection program is in place in the proposed adjacent area or scheduled to launch no later than coinciding with the introduction of PPP curbside collection; and
- A PPP curbside collection service provider included in the Recycle BC program is able and willing to expand their existing curbside service area to include the proposed adjacent area, which may include one of the following:
  - Recycle BC, as the provider of curbside collection service in a direct service area adjacent to the proposed adjacent area;
  - A local government providing curbside collection service in a service area adjacent to the proposed adjacent area, utilizing either in-house collection staff or a private company; or
  - A local government providing curbside collection service in a service area adjacent to the proposed adjacent area, through a sub-contract with another applicable level of local government.

For clarity, the following definitions are provided:

- *Minimum household density*: Defined as total occupied dwellings divided by total hectares in proposed service area, excluding non-populated areas (parks, crown lands, etc.) and areas not proposed to be serviced;
- *Maximum distance*: Calculated by the distance of navigable roads between the edge of the existing service area and the proposed adjacent area; and
- *Curbside garbage*: Program must be managed as a coordinated service directly by an applicable First Nation, municipality or Regional District and excludes subscription service whereby households contract with one or more private companies directly.

### Curbside Eligibility – Transition to Provision of Service by Recycle BC

Local governments with existing collection agreements with Recycle BC may, at their discretion, request that Recycle BC directly operate PPP curbside collection in their communities, provided each of the following criteria is met:

- The request is made in writing and is accompanied by a formal resolution from the applicable Council or Board;

## **Packaging and Paper Product Extended Producer Responsibility Plan**

- A formal commitment is made, in writing, to provide Recycle BC with all reasonable assistance and cooperation during the transition period (e.g. provision of a complete address list, household data etc.);
- The request pertains to the entire service area and not a portion thereof;
- A curbside garbage collection program is in place in the service area or scheduled to launch no later than the proposed transition date;
- If applicable, the existing inventory of collection containers is provided to Recycle BC (or left in the possession of residents) at no cost, at the discretion of Recycle BC;
- The PPP curbside program had achieved a minimum capture rate of 90 kilograms of PPP per curbside household in the previous calendar year;
- A minimum of 2 years' notice is provided prior to the proposed transition date for provision of curbside services directly by Recycle BC; and
- The transition date falls on or after the termination date of the applicable local government's curbside collection agreement (which may be extended by Recycle BC in accordance with the terms of the agreement).

Such requests will only be considered by Recycle BC during defined windows of time as communicated by Recycle BC to eligible collectors and will occur once per collection agreement cycle.

Recycle BC will be under no obligation to operate PPP curbside services directly in communities that do not meet the above criteria, including in locations where the applicable local government has requested to terminate their collection agreements prior to the original termination date.

### **Multi-Family Eligibility**

All local governments and First Nations operating curbside collection programs under the Recycle BC program are eligible to operate a multi-family collection program in the same service area through a partnership between the local government and Recycle BC.

Private companies are eligible to operate multi-family collection programs as a collection contractor to Recycle BC in service areas identified by Recycle BC, including in areas where Recycle BC is actively recruiting new multi-family collectors.

# Packaging and Paper Product Extended Producer Responsibility Plan

## Appendix C – Community Eligibility Criteria: Integrated Recycle BC Collection Services

### Municipalities with >50,000 Population

Municipalities are eligible for Integrated Recycle BC Collection Services, provided each of the following criteria is met:

- A local organization is willing and able to provide collection services that meet all program requirements and collection standards;
- The community represents an incorporated municipality, including Cities, Towns, Villages and District Municipalities; and
- The municipality has a minimum population of 50,000 permanent residents.

### Municipalities with >10,000 Population

Municipalities are eligible for Integrated Recycle BC Collection Services, provided each of the following criteria is met:

- A local organization is willing and able to provide collection services that meet all program requirements and collection standards;
- The community represents an incorporated municipality, including Cities, Towns, Villages and District Municipalities;
- The municipality has a minimum population of 10,000 permanent residents and a maximum population of 49,999 permanent residents; and
- The municipality is located more than a 5 km drive from a Recycle BC depot in a municipality with a larger population, if applicable, as measured from the closest municipal border to the depot by navigable road.

### Municipalities with >2,000 Population

Municipalities are eligible for Integrated Recycle BC Collection Services, provided each of the following criteria is met:

- A local organization is willing and able to provide collection services that meets all program requirements and collection standards;
- The community represents an incorporated municipality, including Cities, Towns, Villages and District Municipalities;
- The municipality has a minimum population of 2,000 permanent residents and a maximum population of 9,999 permanent residents;
- The municipality is located more than a 15 km drive from a larger incorporated municipality with a minimum population of 10,000 permanent residents, as measured by the distance between a central location within the commercial center of each municipality (or its closest approximation); and
- The municipality is located more than a 15 km drive from a Recycle BC depot, as measured from the closest Recycle BC depot to a central location within the commercial center of the community (or its closest approximation).

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## Small Communities

Small communities are eligible for Integrated Recycle BC Collection Services, provided each of the following criteria is met:

- A local organization is willing and able to provide collection services that meet all program requirements and collection standards;
- The community has a minimum population of 1,000 permanent residents within the service catchment area of the community, as defined as the total population within a 30 minute drive of a central location within the commercial center of the community (or its closest approximation);
- Garbage service is available to residents, which may include a landfill, drop-off transfer point or curbside service;
- A permanent grocery store is available and open year-round;
- The community is located more than a 40 km drive from an incorporated municipality with a minimum population of 10,000 permanent residents, as measured by the distance between a central location within the commercial center of the municipality to a central location within the commercial center of the community (or its closest approximation); and
- The community is located more than a 40 km drive from a Recycle BC depot, as measured from the closest Recycle BC depot to a central location within the commercial center of the community (or its closest approximation).

## Island Communities

Ferry accessed island communities are eligible for Integrated Recycle BC Collection Services, provided each of the following criteria is met:

- A local organization is willing and able to provide collection services that meet all program requirements and collection standards;
- The island has a minimum population of 1,000 permanent residents;
- Garbage service is available to island residents, which may include a landfill, drop-off transfer point, private curbside service or local government curbside service; and
- A permanent grocery store is available and open year-round.

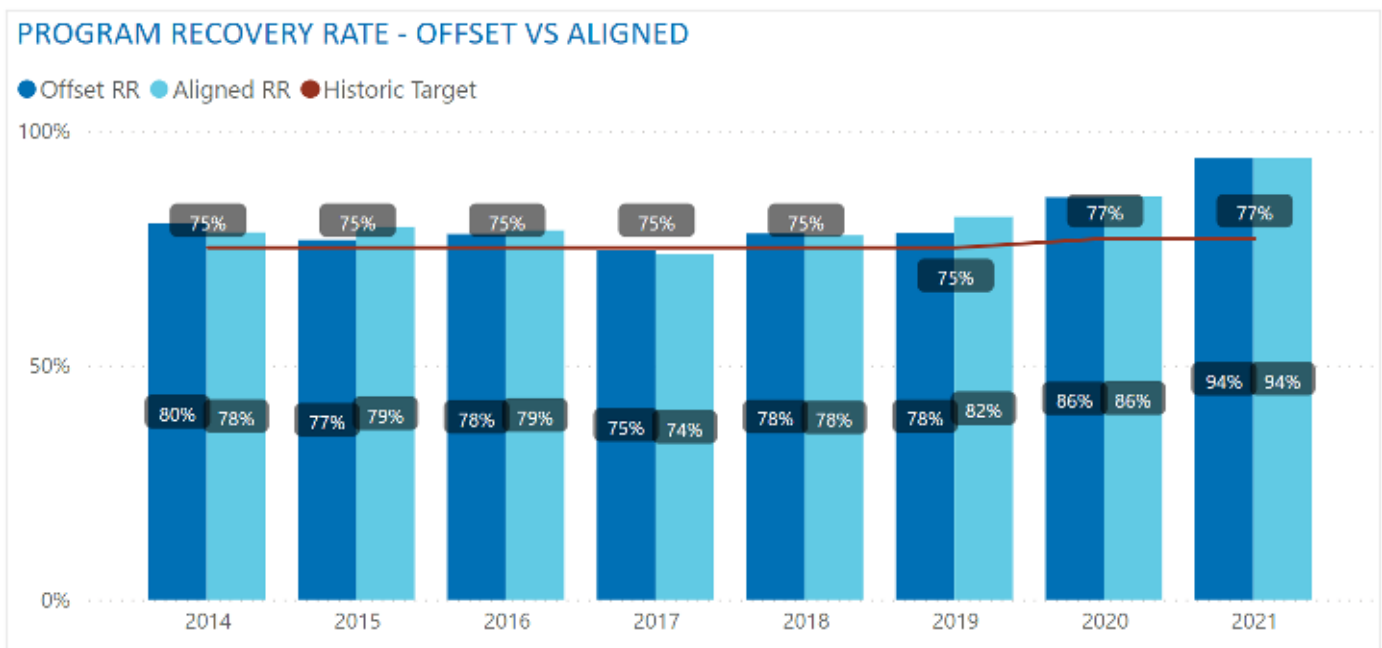
# Packaging and Paper Product Extended Producer Responsibility Plan

## Appendix D – Proposed Performance Targets

### Proposed Program Recovery Targets

Section 5.3.1 outlines Recycle BC’s current methodology to calculate the program recovery rate. Recycle BC evaluated the impact that the two-year time lag (between the collected quantity year and the supplied quantity year) has on the recovery rates reported in the annual report each year. The chart below shows a comparison between the reported program recovery rate in the annual reports from 2014 to 2021, using the following two methodologies:

- Offset Recovery Rate (RR) - Collected quantity year and the supplied quantity year are offset by two years, in accordance with the methodology outlined in Section 5.3.1; and
- Aligned Recovery Rate (RR) - Collected quantity year is aligned with the supplied quantity year.

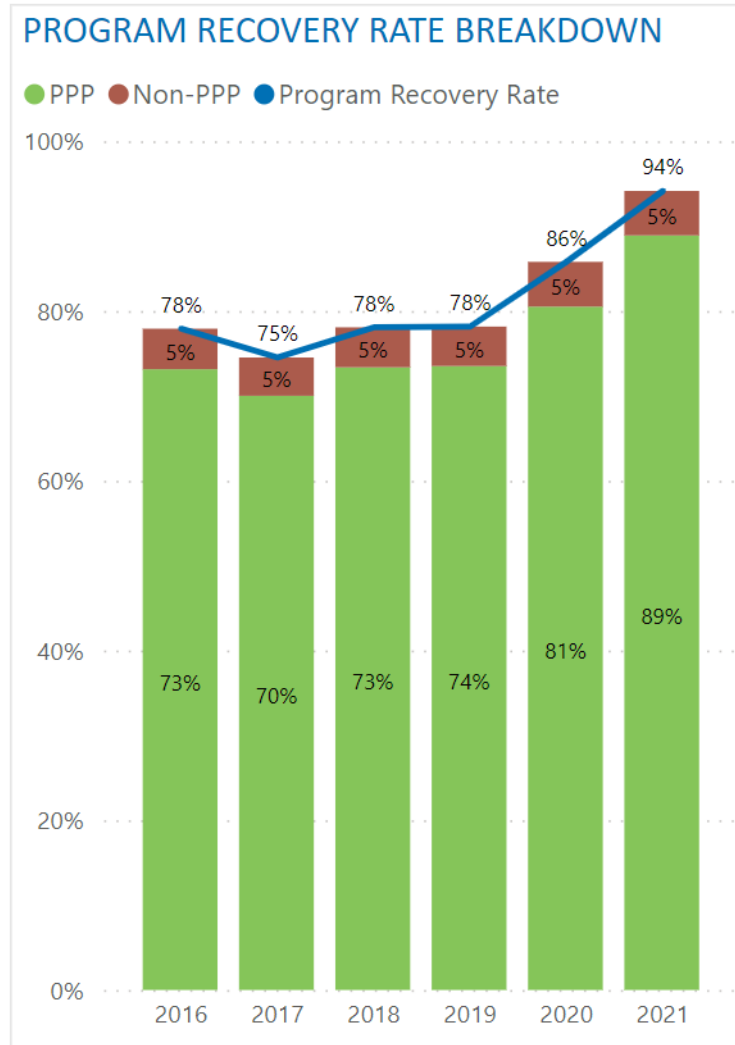


Note: The 2021 supplied quantity data has not undergone a third-party assurance audit at the time this document was published.

With the close alignment between the two calculation methods, Recycle BC proposes to maintain the use of the Offset RR methodology for the program recovery rate as defined in Section 5.3.1.

Recycle BC also evaluated the impact that non-PPP has on the program recovery rate. Non-PPP is defined as material that is not packaging and paper product that residents have incorrectly placed with their recycling and that was collected with PPP. This includes a wide range of materials such as food waste, plastic products, construction waste, hazardous waste and various types of garbage. To date, the collected quantity reported in the annual report is net of any material collected on behalf of other stewardship programs, but inclusive of any non-PPP collected within the program. The impact of this can be seen in the following chart:

## Packaging and Paper Product Extended Producer Responsibility Plan



The level of non-PPP averages to 5% of the program recovery rate each year. Removing non-PPP would therefore lead to a reduction of about 5% to the program recovery rate.

Acknowledging the impact non-PPP has on the program recovery rates, Recycle BC proposes that the program recovery targets will be net of non-PPP beginning in the 2023 reporting year. With the removal of non-PPP from the calculation of the program recovery rate moving forward, the proposed 2023 program recovery rate target of 78% below actually represents an approximate 5% increase over the 2022 program recovery rate target of 78%, as the non-PPP amount of roughly 5% is netted out of the 2023 program recovery rate. This new calculation methodology will better reflect the recovery rate of materials targeted by the Recycle BC program, ensure successful contamination reduction plans do not negatively impact the program recovery rate, and better align the methodology with that of the material category performance targets.

Moving forward, Recycle BC will seek to achieve the following program recovery targets:

2023	2024	2025	2026	2027
78%	79%	79%	80%	80%



# Packaging and Paper Product Extended Producer Responsibility Plan

For the sake of comparison, if the calculation remained the same as the previous program plan, these new targets would look like:

2023	2024	2025	2026	2027
83%	84%	84%	85%	85%

While ambitious, Recycle BC believes this new methodology and the proposed targets are achievable given the successful increase in program recovery rates over the last two years.

## Proposed Material Category Performance Targets

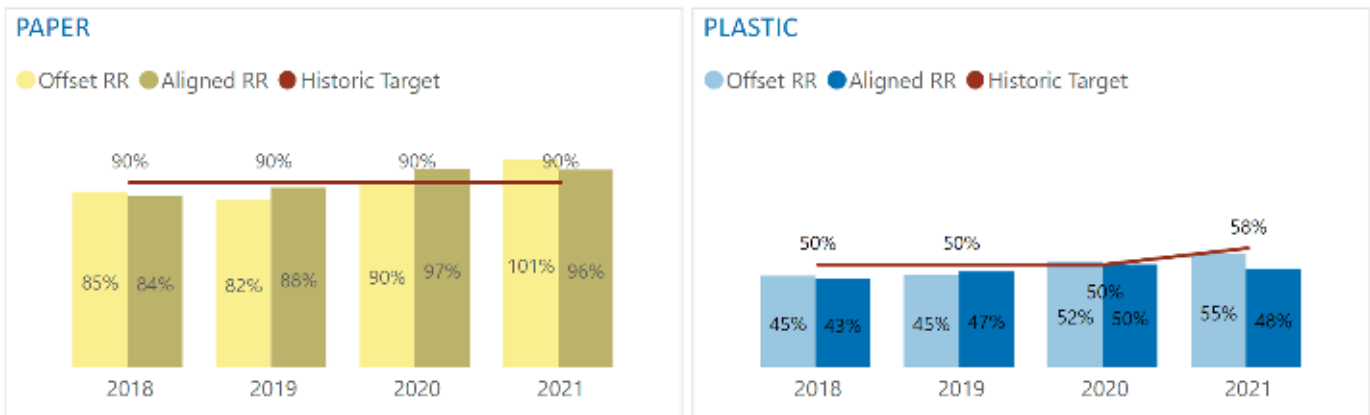
Section 5.3.1 outlines Recycle BC’s historic methodology to calculate material category recovery rates. Recycle BC proposes a change to the material category performance target methodology, with the intent to better align the collected quantity year with the supplied quantity year. Aligning these years has the benefit of being a same year to same year comparison but, due to the nature and timeline of reporting supplied quantity by the program’s producer members, these numbers will only be available in the annual report looking two years retrospectively. For example, in the 2022 Annual Report, published in 2023, it would show the material category recovery rates for 2020, comparing the 2020 collected quantity to the 2020 supplied quantity.

The charts below show a comparison between the reported material category recovery rates in the annual reports from 2018 to 2021, using the following two methodologies:

- Offset RR – Collected quantity year and the supplied quantity year are offset by two years, in accordance with the methodology outlined in Section 5.3.2; and
- Aligned RR - Collected quantity year is aligned with the supplied quantity year.

### MATERIAL CATEGORY RECOVERY RATES (RR)

Offset RR vs. Aligned RR



## Packaging and Paper Product Extended Producer Responsibility Plan



Moving forward, Recycle BC is proposing to utilize the Aligned RR methodology. The table below outlines the proposed methodology to calculate the new material category performance targets based on aligning the collected quantity year and the supplied quantity year. The underlined text highlights the primary change from the Offset RR methodology outlined in Section 5.3.2.

Variable	Definition	Short Form
Latest Material Specific Collected Quantity	Amount of collected quantity (tonnes) in the specific material category in the latest available full collection year.	Latest Collected Qty
Material-Specific Collection Growth	Material-specific growth in collection over the last three calendar years	Collection Growth
Program Collection Growth	Estimated growth in gross collection over three years (including the year of proposal)	Program Growth
Latest Material Specific Supplied Quantity	Amount of supplied material (tonnes) in the specific material category in the latest available full supply year.	Latest Supplied Qty
Material-Specific Supplied Growth	Material-specific growth in producer member supplied quantities based on the <u>sales data pertaining to the latest available three fiscal years</u> .	Supplied Growth

## Packaging and Paper Product Extended Producer Responsibility Plan

$$\frac{\text{Latest Collected Qty} \times (1 + \text{Collection Growth}) \times (1 + \text{Program Growth})}{\text{Latest Supplied Qty} \times (1 + \text{Supplied Growth})}$$

The table below illustrates Recycle BC's proposed material category performance targets. Once a material category performance target has been achieved for two consecutive years, the target will be adjusted using the calculation defined above.

Annual Report (AR) Year	2023	2024	2025	2026	2027
Collection / Supply Year	2021	2022	2023	2024	2025
Paper Target	95% by 2025 Annual Report			96% by 2027 Annual Report	
Plastic Target	55% by 2025 Annual Report			56% by 2027 Annual Report	
Rigid Plastic Target	71% by 2025 Annual Report			72% by 2027 Annual Report	
Flexible Plastic Target	24% by 2025 Annual Report			25% by 2027 Annual Report	
Metal Target	88% by 2025 Annual Report			89% by 2027 Annual Report	
Glass Target	98% by 2027 Annual Report				

## Packaging and Paper Product Extended Producer Responsibility Plan

### Appendix E – Reporting Metrics and Targets Overview

All metrics listed below will be included in the annual report submitted to BC Ministry of Environment and Climate Change Strategy and posted on Recycle BC’s website on July 1 of each year unless otherwise noted.

Measures	2023	2024	2025	2026	2027	2028
<b>Total Program Performance: Recovery Rate Target</b>	78%	79%	79%	80%	80%	To be established in 2028 Program Plan
<b>Material Category Performance: Recovery Rate Targets</b>	<b>Paper</b> - 95% by 2025 Annual Report			<b>Paper</b> - 96% by 2027 Annual Report		To be established in 2028 Program Plan
	<b>Plastic</b> - 55% by 2025 Annual Report			<b>Plastic</b> - 56% by 2027 Annual Report		
	<b>Rigid Plastic</b> - 71% by 2025 Annual Report			<b>Rigid Plastic</b> - 72% by 2027 Annual Report		
	<b>Flexible Plastic</b> - 24% by 2025 Annual Report			<b>Flexible Plastic</b> - 25% by 2027 Annual Report		
	<b>Metal</b> - 88% by 2025 Annual Report			<b>Metal</b> - 89% by 2027 Annual Report		
	<b>Glass</b> - 98% by 2027 Annual Report					
<b>Collection/ Recovery Rate Metrics</b>	<ul style="list-style-type: none"> <li>• Tonnes of PPP and other materials recycled and recovered for the province</li> <li>• Kilograms per capita of PPP and other materials recycled and recovered for the province</li> <li>• Tonnes of PPP and other materials collected within each Regional District</li> <li>• Kilograms per capita of PPP and other materials collected within each Regional District</li> <li>• Total program recovery rate expressed as a percentage for the province</li> <li>• Tonnes and recovery rate expressed as a percentage for the major categories of Paper, Plastic, Metal and Glass and for the plastic sub-categories of Flexible and Rigid</li> </ul>					
<b>Accessibility Metrics</b>	<ul style="list-style-type: none"> <li>• Number of curbside and multi-family households receiving household collection service</li> <li>• Description of any new curbside or multi-family service areas included</li> <li>• Description of Integrated Recycle BC Collection Services included in each serviced community, including locations of depots accepting PPP as applicable</li> <li>• Number of curbside service areas, multi-family service areas and depots by Regional District, including changes in totals from previous year</li> <li>• First Nations access to collection services</li> </ul>					

## Packaging and Paper Product Extended Producer Responsibility Plan

Measures	2023	2024	2025	2026	2027	2028
<b>Additional Multi-Family Metrics<sup>10</sup></b>	<ul style="list-style-type: none"> <li>• Number of multi-family households served compared to previous year</li> <li>• Number of multi-family households on-boarded from wait list or in communities that now meet curbside eligibility criteria</li> <li>• Number of multi-family households added and number of multi-family households that exited program, in addition to net household served number</li> <li>• Percentage of multi-family households serviced: Recycle BC served as a percentage of provincial total</li> <li>• Program multi-family service growth rate: Recycle BC served compared to census growth rate</li> <li>• If sufficient long-form census data capture: Recycle BC multi-family served by Regional District compared to census multi-family by Regional District</li> <li>• Other reporting metrics that may be interesting to provide for a particular year or period as appropriate</li> </ul>					
<b>Consumer Awareness Target</b>	<ul style="list-style-type: none"> <li>• Maintain a resident awareness rate of 90% or greater for PPP recycling program</li> </ul>					
<b>Consumer Awareness Metrics</b>	<ul style="list-style-type: none"> <li>• Percentage of residents aware of packaging and paper product recycling program</li> <li>• Percentage of residents reporting use of available collection services</li> <li>• Visits to the Recycle BC website</li> </ul>					
<b>Pollution Prevention Hierarchy Target</b>	<ul style="list-style-type: none"> <li>• Direct 85% to 90% of collected PPP to recycling commodity markets</li> </ul>					
<b>Pollution Prevention Hierarchy Metrics</b>	<ul style="list-style-type: none"> <li>• Tonnes of PPP managed by recycling</li> <li>• Tonnes of Paper, Plastic, Metal and Glass managed by recycling</li> <li>• Tonnes of PPP managed by recovery (engineered fuel)</li> <li>• Tonnes of PPP managed by recovery (energy-from-waste)</li> <li>• Tonnes of PPP managed by disposal</li> <li>• Environmental impact measures to characterize actions intended to reduce the environmental impacts of PPP by producer members of Recycle BC, and by Recycle BC</li> </ul>					
<b>Greenhouse Gas Emissions (GHG) Metrics</b>	<ul style="list-style-type: none"> <li>• Total program greenhouse gas (GHG) emissions associated with supply chain operations</li> </ul>					
<b>Other Reporting Metrics</b>	<ul style="list-style-type: none"> <li>• Total program cost per tonne</li> <li>• Total program cost per household</li> </ul>					

<sup>10</sup> To enable MOECCS assessment of continuous improvement of multi-family service within the Recycle BC program, Recycle BC will report annually to the MOECCS a suite of metrics for a detailed review of multi-family expansion by the regulator

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Measures	2023	2024	2025	2026	2027	2028
<b>Other Party Metrics</b>	<ul style="list-style-type: none"> <li>• Tonnes of newspapers recovered in British Columbia</li> <li>• Tonnes of other material recovered on behalf of other parties in British Columbia</li> </ul>					

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## Appendix F – Program Activities Overview

Key program activities that are tied to specific dates and timelines are summarized below.

Measures	Q1 2023		Q3 2023		2024-2028	
<b>Streetscape Collection</b>	Test the audit methodology in a streetscape community that has implemented single-use product bans and has demonstrated a reasonable contamination rate.		Recycle BC will prepare its revised service and funding commitments to local governments and consult with local governments prior to implementing this program. Recycle BC will provide the streetscape program outline to eligible local governments in Q3 2023 for local governments to request an offer to join the program.		Continue to onboard eligible local governments as applicable.	
Measures	2023	2024	2025	2026	2027	2028
<b>Compostable PPP</b>	<p>Potential amendments to OMRR are expected to provide updated definitions of untreated and unprocessed wood, non-recyclable paper material, and compostable plastic. Once finalized, Recycle BC will determine where these definitions overlap with categories of PPP. If the quantity of compostable PPP is significant, and Recycle BC is able to determine the quantity of PPP by material category recovered annually in organic waste collection programs (resource recovery to a beneficial use), Recycle BC will include the end-of-life disposition of this PPP in its Pollution Prevention Hierarchy report.</p> <p>Where these research efforts indicate both demand and technical feasibility, Recycle BC will develop financial incentives to promote the management of appropriate types of PPP in the organic waste stream. The outcomes of this process can also serve to guide Recycle BC members' decisions to incorporate compostable material into the design of their packaging and paper formats.</p>					
<b>Collection Financial Incentives</b>		Next collection cost study, using 2023 data.	New collection service agreements with new incentive rates, effective Jan 1, 2025.			

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### **Appendix G – Consultation Report**

A consultation report will be included in the final submission to the Ministry of Environment and Climate Change Strategy in April 2023.