

PPSReview

**Product & Packaging
Stewardship Review**

MANAGING WASTE RESPONSIBLY

An information service for municipal governments

Vol 4, Issue 6, April 2004

Quebec goes for the 50-cent solution

“Interested parties” in Quebec have until the last week of May to comment on a draft regulation that would clear the way for an Ontario-style recycling stewardship program for the province.

Quebec’s Minister of Environment Thomas Mulcair announced the posting of the proposed regulation at the end of March.

The draft regulation targets three categories of material: containers and packaging, printed material except printed media, and printed media. It follows the passage of Bill 102 in December 2002.

Companies who make, sell or are the first importer of packaging or newsprint will pay a fee to one of two “organismes de financement agréé” (industry funding organizations).

Just as CSR: Corporations Supporting Recycling was the frame on which Stewardship Ontario was developed, Collecte Selective Quebec (CSQ) established Éco Entreprises Québec, which was incorporated April 2003.

On June 19, 2003, its founding members appointed CSQ to implement the organization and act as the secretariat of the new organization.

Recyclemedia represents those who generate newsprint. Under a deal similar to that negotiated by Ontario media, its members cannot be charged more than \$1.3 million, annually, for the first five years, and they also have the option of making their contribution

“in-kind”, by offering “free” advertising space in their publications to promote recycling.

Recyc-Quebec will play a key role in negotiations with the funding organizations and the municipal representatives.

One of the first items for discussion will be the best way to determine the net cost of curbside recycling programs. Initial estimates from government officials set the figure at around \$52 million, but the experience in Ontario suggest those estimates could be low.

Once an agreed net cost is established, the funding organizations will start collecting the required levies from their members, based on a 50 per cent support. In 2002, 350,000 tonnes of recyclables were recovered in the province’s blue box system, 300,000 tonnes of it being paper and newsprint. The population is about 7.5 million. (Soft drinks and beer containers are not

part of the blue box system in Quebec.)

Given the extent of the negotiation required, and the history of the Ontario stewardship blue box program plan, municipalities in Quebec will likely not see any funding until well into next year, or even 2006.

After the 60-day comment period has expired, CSQ will organize an information meeting with the environment ministry and Recyc-Quebec officials to discuss the next steps.

OIL REG APPROVED

The Regulation respecting the recovery and reclamation of used oils, oil or fluid containers and used filters was released by the Province at the end of March. It defines used oil materials, defines the stewards as brand owners and first importers, and sets out the basic program requirements. The program is to be in place by September 23, 2004.

Like Ontario’s oil regulation, the onus is on the brand owners/first importers unless they join a collective organization which will pay for, and operate the program on their behalf. SOGHU (Société de gestion des huiles usagées) is the organization (like OUOMA in Ontario) that will be operating the program in Quebec. Over the next couple of months SOGHU will be working with Recyc-Quebec to hammer out the details of the program.

For a copy of either regulation, visit <www.productstewardship.org>.

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Briefly...

RECYCLING PICKING UP IN THE UNITED KINGDOM

A study by the UK Friends of the Earth says curbside collection of recyclables is improving but still has some way to go. The study found 94 per cent of local authorities now offering curbside collection for two or more materials (for example glass and paper) to some households. Less than half (41 per cent) of local authorities provide a collection for five or more materials.

Resource Recovery Forum Bulletin, 23 Mar 2004
(www.resourcesnotwaste.org)

NEW VERSION OF "THE 10¢ INCENTIVE TO RECYCLE" AVAILABLE

The Container Recycling Institute (CRI) has released the 3rd edition of *The 10¢ Incentive to Recycle*, revised and updated to reflect the most current data available on beverage container deposit systems. The 22-page report "sets the record straight on the environmental and economic impacts of bottle bills, and uses documented evidence to rebut the arguments made by the anti-deposit beverage and retail industry lobbies," according to CRI. *The 10¢ Incentive to Recycle* can be downloaded at no charge from CRI (www.container-recycling.org/publications/orderform.htm#tci)

Container Recycling Institute February 2004.
(www.container-recycling.org)

VOLUNTARY BAG REDUCTION PROGRAM WORKING IN AUSTRALIA

The major supermarkets in Australia say they have cut plastic bag use by more than 200 million in the past year. Ninety per cent of supermarkets have signed the Retailers' Code of Practice, since October last year. A voluntary agreement was proposed by the Australian Government to reduce the close to 7 million plastic shopping used by

Australians each day. Preliminary figures suggest the supermarkets have already achieved a 12 per cent reduction - a great effort in a few months. They are running their own in-store campaigns to alert customers to the new reusable bags, and to train cashiers to use as few plastic bags as possible. Coles, for example, is running a 'Give plastic bags the flick' promotion and Woolworths' 'Fill the bag, not the environment'. For its part, the Government is funding CleanUp Australia's 'Bag Yourself a Better Environment' campaign, as are most of the big supermarkets and independents.

Resource Recovery Forum Bulletin, 25 February 2004
(www.resourcesnotwaste.org)

NEW PRODUCT POLICY GROUP LAUNCHES WEBSITE

The Product Policy Project, founded in 2003, has launched its website. A virtual organization connecting innovative people seeking to develop a new framework for addressing sustainable production and consumption in North America, the project's founding board members are Helen Spiegelman (Vancouver BC), David Stitzhal (Seattle WA), Alicia Culver (Berkeley CA) and Bill Sheehan (Athens GA; Director).

Product Policy Project (www.productpolicy.org)

CALIFORNIA CELL PHONE BILL MOVES FORWARD

A California measure requiring cell phone retailers to take back obsolete units has passed two Assembly committees. The new law mandates that this recycling service be at no cost to consumers. The bill also requires phone producers to reduce their use of hazardous materials. Assembly Bill 2901 is being fought by the cell phone industry.

Resource Recycling's electronic newsletter
- Wed, 14 Apr 2004

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The current issue of PPSReview, and past issues, are available for viewing on the Internet <www.productstewardship.org>.

Anyone wishing to support the Fair Comment Project may email Ben Bennett <bbc@albedo.net>. Confidentiality is guaranteed.

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NOTICE: this publication, AND the views expressed, have NO connection with the Association of Municipal Recycling Coordinators of Guelph, Ontario.

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BOTH SENT BACK TO THE DRAWING BOARD

It's a rough ride for oil and rubber stewardship plans

The second and third stewardship plans to be developed under the Waste Diversion Act process are back with their designers for changes.

Both the used oil and scrap tire plans have hit bumps in the road and are have been returned to their respective industry funding associations.

If the industry representatives at Ontario Used Oil Management Association (OUOMA) thought that the Waste Diversion Ontario Board would approve their program plan at its March 23 board meeting, they likely hadn't seen the other submissions.

After serious criticism from several stakeholders, including the Ministry of Environment, the Ontario Waste Management Association, the Recycling Council of Ontario, other Canadian ENGOs and Safety-Kleen Canada, the Board sent the plan back for re-working.

The central concern revolves around the baseline data provided by OUOMA, which were substantially different in all three iterations of the plan.

Quantification of the amount of available used oil, and oil recovered

currently were based on rough estimates and/or rudimentary methodologies derived from western Canada's experience.

What OUOMA's figures did not allow for was the fact that Ontario currently has a mature used oil collection and recycling infrastructure with recovery rates anywhere between 66% and 89% (according to WDO analysis).

OUOMA claims that recovery is closer to 59% - 69%, which justifies an Alberta style model in Ontario, at a cost to consumers of more than \$22 million.

Unnecessary levying of revenues from stewards and distribution of these monies to collectors will also distort the existing marketplace.

The Ontario plan would compensate collectors of used oil equally, regardless of the end-use of the material (i.e., burned for energy or re-refined into new lubricating oil), which is contrary to the Act. It prohibits the "promotion" of burning.

OUOMA has been requested to re-submit their plan to the WDO for its June meeting.

TIRES

Ontario Tire Stewardship (OTS) was also sent back to re-work its program plan, after the WDO Board received word that Environment Minister Leona Dombrowsky had rejected the OTS request to redefine stewards.

In her letter dated March 16, the Minister "respectfully" declined OTS' request to re-define stewards as retailers, stating "the program stewards will remain as indicated in the original program request letter to WDO as, 'the brand owners and first importers into Ontario, of products that result in the generation of used tires under the program'". OTS will re-submit a revised plan in June.

As OTS notes on its website, the WDO Board had supported the OTS position on "retailer as steward" in a letter sent to the Minister in December 2003. OTS says it is now considering its options.

"We are attempting to schedule a meeting with the Minister so that we can better understand the background for her policy decision and specific requirements related to a program with Brand Owners and First Importers as funding stewards. At this point, a meeting has yet to be scheduled."

It is anticipated that OTS will require 90 days after such a meeting to re-draft the program plan, and that the nature of changes to the program plan will likely "require consideration by additional stakeholder groups through further consultation sessions".

For more details, see OTS website (www.ontariotirestewardship.ca).

Fox moves to WDO

John Fox, the man who for several years has been the point man at the Ontario Ministry of the Environment for the annual Datacall is taking a one year leave of absence to join Waste Diversion Ontario as Data Manager to assist with establishing the Municipal Tonnage and Financial Datacalls.

The launch of the 2003 Tonnage Datacall was scheduled for April 12, with the 2003 Financial Datacall scheduled for April 19.

Michael Moore headlines at RCO

Writer, film-maker and general rabble-rouser Michael Moore is a keynote speaker at this year's Recycling Council of Ontario conference, May 4-6 in Markham, Ontario, as is Ontario Environment Minister Leona Dombrowsky

RCO has extended early bird deadline for registrations to April 23.

For more information, visit the RCO website (www.rco.on.ca).

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EPR in the spotlight this spring with two conferences

by Clarissa Morawski

In March, Environment Canada and the Nova Scotia Ministry of Environment and Labour co-hosted the 3rd National Workshop on Extended Producer Responsibility in Halifax.

The "by-invitation only" event brought together government bureaucrats, program operators, ENGOs and a select group of consultants and industry representatives.

For the most part, there were presentations of existing Canadian programs, with a few European and Australian legislative and program updates. More specifically participants learned about the European Commission's new legislation for end-of-life vehicles, the voluntary cell phone take-back program in Australia, and how the Netherlands is complying with

the European directive on electronics and electrical waste.

Of particular interest to most was the discussion of visible versus hidden stewardship fees (there exist several definitions of what "visible" and "hidden" mean), and to whom are those fees visible or hidden.

Clearly, this is a divisive issue, both controversial and political. Concerns around who pays the fees, whether the fees are tiered based on the environmental design considerations, and accountability of fees will be on centre stage as Canada moves forward with its stewardship programs.

GLU/AMRC CONFERENCE

In April, Great Lakes United and the Association of Municipal Recycling Coordinators (AMRC) co-hosted an EPR workshop in Toronto.

The majority of the audience was from labour groups interested in opportunities emerging from EPR related initiatives. The workshop was focused on approaching solid waste issues and management through clean production and extended producer responsibility principles.

HIGHLIGHT

A highlight of the event was a presentation by a leading industrial designer, Philip White on Opportunities for Ecological Design.

Using real life examples of ecologically designed products, Mr. White presented a leading-edge tool for reduction and assessment of chemical and other environmental impacts, known as TRACI, developed by a group of environmental scientists at the US EPA.

The tool is guided by ecological design strategies throughout the product's life cycle like; utilization of low impact materials; optimization manufacturing; efficient distribution; low-impact use; optimized lifetime; optimized end-of-life; and innovation.

The tool assigns values or factors (known as the OKALA03 impact factors) to 10 basic environmental impacts including: fossil fuel use; global warming; acid rain; ecotoxicity; water eutrophication; stratospheric ozone; habitat destruction; carcinogens; smog; and human toxicity. Designers can apply the tool to decision-making to measure the total environmental impact.

Presentations like that of Mr. White's remind us of the "end" to which EPR is simply a "means".

April 20 registration deadline

Ontario companies whose products' packaging and printed paper end up in residential Blue Boxes or the municipal residential waste system had until April 20 to register with Stewardship Ontario. The Waste Diversion Act designates all companies that introduce packaging and printed paper into the province as stewards and requires them to contribute to the 50% industry will be paying towards the net cost of blue box programs.

There are several exemptions. Contact Stewardship Ontario for more information (416 594-3456 or visit www.stewardshipontario.ca).

PAC seminar to look at Waste Diversion Act

The Packaging Association of Canada (PAC) examines "the serious impact" on the packaging industry of the Waste Diversion Act, April 27, in a seminar being held in Toronto.

The guest speakers are three well-known critics of the legislation: Tim Woods of Nestle Canada, Larry Dworkin of the PAC and Colin Isaacs of the CIAL Group.

The seminar, which is being hosted by the PAC Ontario Chapter, will be held at the Toronto Board of Trade, Airport Club on Dixon Road. The \$75 registration fee (\$85 for non-members) includes lunch.

For more information, call (416) 490-7844 or email Gail Deveau (gdeveau@pac.ca).

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MPSC looks at its financial future

The Manitoba Product Stewardship Corporation (MPSC) latest newsletter looks again at the ongoing issue of revenues.

The corporation "is reaching its financial limits" and the two-cent levy from pop can sales is not enough the cost of running the province's recycling program. The March edition of *Stewardship Circle* also notes the current payment system does not recognize the increased costs faced by smaller programs. A new payment schedule will address this inequity.

The City of Winnipeg, for example, will see \$110 per tonne to offset recycling costs, while municipalities between with populations from 5,00-15,000 will receive \$145 per tonne and those under 1,000 will be paid \$185 per tonne.

The MPSC has completed its draft 2004-2007 Business Plan. "Sustaining the MPSC Model" is now with the Manitoba Minister of Conservation for his approval. The plan outlines five major changes to the current municipal funding system. These changes will result in the current municipal recycling support payment rates being reset effective, April 1, 2004.

The report notes the program will need a broader stewardship base or some other financial source if the current level of support to municipalities is to be maintained support

The complete plan as well as a two-page summary are available from the MPSC website (www.mpsc.com).

BC, Alberta recycling fees adjusted

Recycling fees have been adjusted in Alberta to reflect changing market conditions. Beginning February 1, fees were reduced on eight container types, seven were increased for 2004, and five remained the same. Aluminum cans are now subject to a one-cent fee each. In a January news release, the Alberta Beverage Container Recycling Corporation notes the recycling fee reflects the cost difference between the costs of recycling a container, the money from unredeemed deposits and the sale of recyclable material.

Encorp Recycling Systems also announced changes to the recycling fees in British Columbia as of February 1, 2004. The 1.0 cent recycling fee on aluminum cans is back. Plastic containers up to 1L in size will see an increase from 1.0 cent to 3.0 cents. Glass containers up to 1L and drink boxes from 501ml to 1L will also see an increase from 3.0 cents to 4.0 cents. Gable top containers from 501ml to 1L will no longer be assessed a CRF.

COMING EVENTS

April 29 - May 1

2004 Northern Ontario Municipal Association (NOMA) Conference
Thunder Bay.
Call 807-626-0155,

May 4 - 6

Recycling Council of Ontario Conference,
Markham, ON
* **Featured speaker Michael Moore**
Call (416) 657-2797, ext. 4
www.rco.on.ca

May 5 - 7

Federation of Northern Ontario Municipalities
Annual Conference
Town of Mindemoya,
Manitoulin Island, ON
Call (705) 669-0135

June 9-11

Recycling Council of British Columbia
Annual Waste Reduction Conference,
Whistler, BC
Call (604) 683.6009 Ext 301

August 22 - 25

2004 Association of Municipalities of Ontario
Annual Conference
Ottawa., ON
Call (416) 971-9856

September 15-17

Composting Council of Canada (CCC)
Annual Conference,
Gatineau, QC.
Call (416) 535-0240

October 3 - 6

2004 Counties, and Regions & Single Tier
Municipalities Conference,
Waterloo
Call (519) 884-0220

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Opinion Piece

The opinions expressed in this column are not necessarily those of PPSReview

Can it be—the “d” word is on the table?

by Jay Arthur

Well, knock me down with a feather!

The other day I was reading a discussion paper from the good folks at Stewardship Ontario/CSR. It was called Blue Box Targets and Municipal Benchmarks—and there it was.

In an otherwise innocent-looking Table 2: *Preliminary List of Policies and Practices to Support Achieving Material-Specific Targets* were two words I never thought I would ever see in a SO/CSR document: “Deposit Systems”.

Well, I almost fell off my chair.

There were seven scenarios in the paper prepared for the WDO’s Municipal Industry Programs Committee, all designed to generate discussion at workshops and written submissions on how to increase the diversion of Blue Box Waste.

There was little there to get excited about, no forehead-slapping “why didn’t I think of that?” ideas. And while they have finally acknowledged the existence of the take-back concept, they’ve completely missed the other obvious recovery enhancer.

Number one on the list should have been the fibre box.

As a lot of places are finding, dedicating a box to paper fibres can increase capture significantly. In the Windsor area they saw a 40% increase in recovery. It won’t take long to offset the cost of the extra boxes given the additional material they are collecting. And this is material that is cheap to collect, has guaranteed markets and a fairly good price.

The first thing talked about in the

discussion paper put together for the MIPC team was bringing in green bins for organics. Don’t get the connection? Well, apparently this increases blue box waste diversion. The same scenario also suggested every-other-week waste collection and bigger blue boxes. I see this as three scenarios, and numbers two and three, while not exactly new and stunning ideas, do

make sense. Also listed is user pay and bag limits—again, nothing

“..it looks like we can at least introduce the idea of deposits now without fear of Mr. Bassett unleashing the dogs.”

new, but sound advice.

Changing packaging design is another canard that is well past its prime, but until we can get the brand owners’ marketing people to start listening to their environmental people we won’t be holding our breath for any great breakthroughs there.

Market development is seen as another answer to our recovery needs. It may improve the bottom line by reducing net costs (assuming the markets actually pay), but it will not make people recycle more.

Landfill bans for blue box materials and mandatory recycling are great in theory but who will pay for the enforcement?

The sixth scenario calls for the implementation of a “high profile advertising campaign”. The last time anyone did that it was called *Don’t Trash Cans* and it did little to increase capture of the high value material. Apparently, follow-up surveys showed people had “recall” of the slogan but it didn’t affect their behaviour. Glad I wasn’t paying for the ads. There is no question that promotion is the key, if

it’s done right—but this is not exactly news, though, is it? And I have to think that formula ads carried in the newspapers as part of their \$1.3 million in-kind contribution are not going to have too much impact.

The deposit system scenario refers to the systems operating in other jurisdictions, where the promise of a refunded deposit, or even part of one, is enough to make Ontario’s recovery rates pale in comparison. Should deposits be applied to all containers or even newspapers? the paper asks.

This latter idea was crazy enough that the newspapers delegate at a WDO board meeting questioned the rationale, as well she might. (It was quickly pointed out that the options “had not been assessed for practicality”, although it would have been nice if they at least applied a little common sense before submitting the paper.)

At any rate, it looks like we can at least introduce the idea of deposits now without fear of Mr. Bassett unleashing the dogs. So, for a start, let’s look at wine and liquor bottles, and beverage containers.

Our environment minister may have to go chat with Mr. Cordiano over at Consumer Affairs, however. Recently in a media scrum, he pooh-poohed the idea for LCBO because the bottles would never be refilled. Maybe, maybe not.

But wouldn’t it be nice to increase recovery by 20%? And it would be a lot easier recycling clean, whole bottles than the broken glass we get from the blue box.

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