

PPSReview

MANAGING WASTE RESPONSIBLY

**Product & Packaging
Stewardship Review**

An information service for municipal governments

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WDO lays ground work for next 5 years of the blue box

Waste Diversion Ontario (WDO) has laid out a plan for the next five years of the blue box program, including a move to full industry stewardship

There are 23 recommendations included in WDO's *Draft Preliminary Report for Consultation on the Blue Box Program Plan Review*. As reported in the November edition of *PPSReview*, Ontario Environment Minister John Gerretsen called on WDO in October to review key issues around the blue box program under the framework of extended producer responsibility (EPR).

In the report, WDO based the EPR framework on the definition developed by the Canadian Council of Ministers of the Environment, which states, "EPR means an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle."

In addition to the phase-in of EPR, the report recommends that the minister, "establish a clear policy framework, including program performance, accessibility and service standard objectives, for the Blue Box Program

Plan under full EPR within which stewards will develop operational objectives and establish program metrics."

ENERGY FROM WASTE

WDO's recommendations include a provision to allow up to 10% of material capture in the blue box system to be burned for energy—and have this count towards meeting the set recycling targets.

The report recommends five-year performance targets of 85% for collection, 75% for recycling and energy recovery to a maximum of 10% for materials where the 3Rs are not an option. Specific commodity recycling targets are also set.

Other recommendations in the report include:

- changing the methodologies used

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Packaging Association says NO to full blue box EPR

The Packaging Association of Canada (PAC) has responded to Minister Garretson's call for full product stewardship for blue box materials with a resounding no.

In a January 2009 public release on the matter, PAC President and CEO James Downham argues against EPR, stating that "in effect the consumer/householder has no responsibility for their buying decisions or encouragement to participate in waste diversion. And municipalities, which currently operate collection systems, also have no financial obligation to implement efficiencies into the collection and sorting system."

Calling EPR an out-dated concept, PAC instead recommends that a process be set up to reward companies that have implemented sustainable packaging practices.

The PAC release goes on to make specific recommendations on the matter, including calling on consumers to "share some responsibility for the packaging as it is an integral component of the product."

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Briefly...

BIG APPLE RETAILERS TO PROVIDE BAG BINS

Starting January 1, 2009, retailers in New York, NY, must provide plastic bag collection bins. The state legislation affects large retailers with more than 10,000 sq. ft. and chains having more than 5 stores each with more than 5,000 sq. ft. of retail space. The collected bags must be recycled. Retailers are required to keep records for three years detailing how many bags are collected and recycled.

New York City, December 2008
www.nyc.gov/html/nycwasteless/

NEW UK REPORTS LOOK AT PACKAGING, REFILLABLES

Two new reports provide insight on packing options and use in the United Kingdom. The Government's Advisory Committee on Packaging has released a 28-page report, *Packaging in Perspective*, which highlights facts about recycling, including recycling rates (60% of all UK packaging is recycled) and details the reasons behind what is often perceived as excess packaging. The report was supported by the Industry Council for Packaging, which represents the key players in the packaging supply chain with Government departments and devolved administrations "in attendance". The Waste & Resources Action Programme (WRAP)'s new report looks at barriers and opportunities for increasing the use of refillable glass beverage containers in the UK. The report finds that the implementation of programs to increase the use of refillables needs to be considered on a case-by-case basis. Although there is a significant list of barriers there are a number of changes happening in the UK that may work in favour of refillables. Some retailers have developed local sourcing strategies as a direct consequence of the negative press associated with food miles. Brand owners and retailers are beginning to include the carbon impact associated with products on labels. Copies of the reports can be found at www.incpn.org and www.wrap.org.

MOTOROLA LAUNCHES CARBON NEUTRAL PHONE

Motorola's new MOTO W233 Renew cell phone features what it claims is the industry's first mobile phone housing made entirely from recycled, and recyclable, plastic water bottles. The phone is also said to be the world's first to be certified by Carbonfund.org as a CarbonFree® Product, based

on a detailed life-cycle assessment. Motorola will offset the carbon dioxide involved in manufacturing, distributing and operating the phone through investments in renewable energy and reforestation. The phone's packaging is also "green," with Motorola reducing the size of packaging by 22% and using 100% post-consumer recycled paper and boxboard. The phone comes with a postage-paid recycling envelope to encourage people to return the phone for recycling (at no cost).

Motorola Inc., January 2009
www.motorola.com

US ALUMINIUM INDUSTRY TARGETS 50% INCREASE IN RECYCLING RATES

The US-based Aluminum Association announced an industry-wide goal of increasing beverage container recycling rates from the current 54% to 75% by 2015. Americans currently throw away 50 billion cans annually. Meeting the AA's target of a 75% recycling rate would avoid the equivalent greenhouse gases from 1.6 million cars each year, it says. The Aluminum Association plans to work with various stakeholders to increase public education, build recycling infrastructure and consider new policy initiatives. The association will also "encourage and assist" local and state governments to strengthen voluntary recycling programs, such as curbside recycling initiatives and consider deposit legislation as an option for all beverage containers. States with deposit programs have recycling rates averaging 74% or higher; non-deposit states are about 38%. The association is looking for states to consider mandatory recycling programs and landfill bans, as well as including recycling as a viable option in climate change policies.

Aluminum Association, November 2008
www.aluminum.org

US GLASS INDUSTRY LOOKS TO USE MORE RECYCLED MATERIAL

In a similar move, member companies of the US Glass Packaging Institute (GPI) agreed in December 2008 to strive to use at least 50% recycled glass in the manufacture of new glass bottles and jars by 2013. Glass recycling rates in the US stood at 28.1% in 2007, an estimated 3.2 million US tons, according to EPA data. GPI estimates that using 50% recycled content in all glass packages made in the US could save enough energy in one year to power over 45,000 homes.

GPI, December 2008

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Current and past issues of PPSReview 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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SOME LAST MINUTE CHANGES MADE

Ontario tire planners try again, seek WDO approval February 25

The latest version of a tire plan for Ontario is set to be considered by the Waste Diversion Ontario (WDO) board February 25, just two days before the extended deadline agreed to by the province's Environment Minister John Gerretsen.

WDO Vice-Chair Andrew Pollock had requested a two-month extension, citing the need to follow up on some issues arising during stakeholder consultations. In his response, Minister Gerretsen restated his goal of having a tire stewardship plan in place by the summer of 2009.

DRAFT PLAN RELEASED

A draft form of Ontario Tire Stewardship's (OTS's) Used Tire Program Plan was released January 14, 2009.

It was subsequently reviewed by the WDO, which at the end of January suggested several recommendations for OTS' consideration to address a

number of issues, including processing, manufacturing and transportation incentives and international trade agreements.

To fund the proposed program, tire stewards will be required to remit a tire stewardship fee (TSF) for all new passenger and light truck tires. The plan posted on the OTS website in January shows \$5.78 per passenger tire, \$12 per medium truck tires and \$2.38 per

passenger tire equivalent for off-road vehicle tire sold in the province, including those sold with new vehicles. (*Editor's note: these figures may have been changed in the revised plan submitted to WDO. That document is not available*)

To view the January draft tire plan, visit the OTS website (www.ontariotirestewardship.org).

“Tired to bits” in NS

Nova Scotia is trying another method to manage the province's used tires—shredding them to produce tire-derived aggregate. The aggregate can replace gravel in many applications.

The Nova Scotia Resource Recovery Fund Board has been asked by the provincial government to find businesses willing to take on the venture. The Fund Board is hosting an “information day” about the program on February 20.

Nova Scotia's battle to manage tires has included a failed cryogenic processing facility and a highly contested—and eventually rejected—plan to use 500,000 tires annually as fuel at the Lafarge Brookfield cement kiln. The province currently ships its annual 900,000 used tires to Quebec for processing.

For more information visit www.rffb.com.

Stewardship Ontario launches consumer-focused MHSW program

Stewardship Ontario's new *Do What You Can* program hopes to make it easier for Ontario residents to dispose of certain municipal hazardous or special waste (MHSW).

Under the program, consumers can take back certain MHSW, including old batteries, paints and oils, to registered retailers for collection and disposal. RONA and Home Depot have registered with Stewardship Ontario to take paint and single-use batteries. Jiffy Lube outlets are accepting used oil filters, empty auto oil bottles and antifreeze. Pro Oil Change is piloting the program in two London locations.

Stewardship Ontario is also supporting 6,000 more days of MHSW service at municipal facilities, either through extended operating hours or

increased numbers of event days.

Under both programs Stewardship Ontario will collect the returned MHSW. Reduction, reuse and recycling will be targeted as much as possible; anything else sent to environmentally sound disposal.

A new website has been launched to make it easier for consumers to locate collection sites for various materials (www.dowhatyoucan.ca).

CHANGES COMING

Stewardship Ontario hosted a meeting on January 14, 2009, to outline changes to the current MHSW plan and specifics for adding Phase 2 and 3 products under a new “consolidated” approach (replacing the phased-in approach). The revised plan, to be submitted to Waste Diversion

Ontario in June, will be developed to meet Environment Minister Gerretsen's 2008 request for full producer responsibility on MHSW. It will incorporate 21 hazardous and special wastes, and include some waste from industrial, commercial and institutional (IC&I) sources. A draft plan is expected in April. For more details see www.stewardshipontario.ca.

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TOYS, LARGE APPLIANCES TO BE ADDED

New electronic products to be added under BC regulations

British Columbia's Ministry of Environment has added new electronic products to be managed under its Recycling Regulation. BC's recycling regulation sets out the products and parameters for industry lifecycle product stewardship.

The December 8, 2008, order will see stewardship of the items phased in over the next four years.

New Phase 2 products include information technology and telecommunications equipment such as copier and fax machines, small appliances like toasters and microwave ovens, audio-visual equipment, lighting equipment (including light bulbs), toys, sports equipment, and monitoring and control instruments. Phase 3 will see

larger appliances like stoves and dishwashers, electrical and electronic tools, and medical devices added to the list. The batteries associated with the new products are also included under the regulation. Packaging for electronics is not included.

Stewards must have management plans for Phase 2 items submitted to the

ministry by January 1, 2010; plans for Phase 3 products are required by January 2012. In both cases, province-wide programs must be launched within six months of the plans being submitted.

For more information visit www.env.gov.bc.ca/epd/recycling/.

PAC says no

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The recommendations reiterate that PAC has "expressed concern about the inefficiencies in the [municipal blue box] system, with very little action being done," citing the association's belief that there are too many municipal recycling facilities.

PAC calls on the ministry to conduct an economic cost impact analysis on companies prior to the changes being made under the Waste Diversion Act. The association also calls for a Canada-wide harmonization of waste management approaches, the adoption of sustainable packaging definitions, and the provincial government financial support to continue the development of S-PAC, an eco-rating system launched by PAC in 2007.

In the recommendations, PAC comments on what it sees as misleading statistics on industrial, commercial and institutional diversion rates and also the lack of a reference to energy from waste as a possible best practice.

RCBC calls for EPR for single-use bags

The board of the Recycling Council of British Columbia is calling on the BC government to address the issue of single-use shopping bags.

Citing the laudable, but confusing, array of local government and private sector initiatives to reduce single-use bags, the December 2008 policy puts forward the RCBC's position that the issue should "be addressed through the BC Recycling Regulation, which would hold producers responsible for managing these products throughout their entire life cycle." RCBC calls for a shift away from single use bags, encouraging reusable options, and Extended Producer Responsibility (EPR) for the collection and recycling of any remaining single-use bags.

The RCBC policy applies to bags of all material types, including plastic, paper and biodegradable bags. For more information visit www.rcbc.bc.ca.

OES releases revised WEEE program plan

Ontario Electronic Stewardship (OES) released the revised Phase 1 & 2 Waste Electrical and Electronic Equipment (WEEE) Program document on January 21. This was followed on February 4, when OES held a well attended (200+) consultation session on the development of the program plan in Toronto.

At the meeting, OES put forth proposed changes to the Phase 1 WEEE program plan, and set out plans to address Phase 2 products, which include telecommunications and audio-visual equipment. The changes to Phase 1 and Phase 2 additions are being considered simultaneously.

Among the changes being considered is the fee setting methodology. The proposed change would see moving to the cost of obsolete

WEEE onto successive technologies. The \$165 per tonne incentive payment put forth initial is also being reconsidered in light of the current economic climate.

The final WEEE program must be submitted to the Minister of Environment by July 10, 2009. For more information or to comment visit www.ontarioelectronicstewardship.ca.

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FIVE CENTS A BAG

Toronto retail bag fee starts in June

Starting June 1 of this year, retailers in Toronto must charge 5-cents for single-use plastic bags taken by customers.

The policy, approved December 2, 2008, is one of several initiatives by the city to reduce packaging waste. By June 2010 all plastic bags must be compatible with the city's recycling programs. Plastic food take-out containers that are not compatible with the Toronto's program will be banned as of February 28, 2011.

The sale of bottled water at civic centres was also banned on December 2, effective as quickly as current contracts allowed. The sale and distribution of bottled water at all city facilities is to be ended by December 2011.

A few days later, councillors voted to add polystyrene foam packaging and plastic shopping bags the blue box program.

The city hopes these initiatives will lead to 50% of plastic take-out containers being compatible with Toronto's recycling program by the end of this year.

RETAILERS BIG WINNERS

Retailers are seen as the big winners under this policy, while consumers are left holding the bag. There is no requirement for retailers to remit the bag charge to the city or to other environmental initiatives.

Some retailers have responded to this issue. Even before the policy was

officially approved, Sobeys, a large grocery chain, announced they would direct the funds collected through the sale of plastic bags to environmental and sustainable development projects in Toronto.

Loblaws, the largest grocery chain in Ontario, was planning to introduce a bag charge before the Toronto plan was even in discussion. Since in mid-January, Loblaws shoppers in Toronto have been charged five cents per bag. The program will roll out across the province on Earth Day, April 22, 2009.

For more information on the Toronto policy visit www.toronto.ca/garbage/index.htm.

11% increase in blue box stewardship fees in Manitoba

The Manitoba Product Stewardship Corporation reports paying over \$8.7 million to Manitoba municipalities to support recycling programs in 2007/2008. This is an 11% increase over the previous reporting period. During the same period, Manitobans increased their recycling rates by 6% to 68,809,000 kg of household printed papers and packaging.

The figures were released in the corporation's 2007/2008 Annual Report. The report is available online at www.mpssc.com.

WDO's 5-year blue box plan

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- to calculate quantity of material collected and recycled
- creating a more consistent blue box approach among Ontario municipalities, including standardize materials collected and collection methods
- developing systems to reduce the use of "problematic packaging" in the Ontario marketplace
- compiling data and determining if and how the blue box program could be extended to incorporate industrial, commercial and institutional recycling
- increasing residential recycling

rates and decreasing litter through promotion and additional collection options (such as return-to-retail)

- evaluating options for adding materials to the blue box program

There is no reference to the issue of visible fees in the WDO report.

COMMENTS BY END OF FEBRUARY

Comments received by WDO by February 27, 2009, will be considered in revisions to the report prior to its submission to the minister.

The full report is available online at www.wdo.ca.

New leaders for Ontario stewards

Gemma Zecchini has been retained as the Interim Chief Executive Officer of Stewardship Ontario.

Ms Zecchini is leaving her position as Senior Vice President, Public Policy, at Food and Consumer Products of Canada and her secondment with CSR. She has also recently resigned from her position as chair of Waste Diversion Ontario.

Carol Hochu has been appointed Executive Director of Ontario Electronic Stewardship (OES).

Ms Hochu has worked for more than 20 years in the not-for-profit sector and currently serves as President of the Ontario Stone, Sand & Gravel Association and sits on the Ontario Biodiversity Council.

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Quebec beer retailers get \$15M incentive

Starting April 1, 2009, beer retailers in Quebec will receive an incentive to keep recovering beer bottles.

The Quebec Brewers Association (QBA) and its members Labatt and Molson breweries, along with their partner, l'Association des détaillants en alimentation du Québec announced an Environmental Incentive Premium to promote the capture of refillable glass 341 ml standard bottles.

Quebec retailers will be paid a premium of \$0.10 per case of 24 refillable glass beer bottles. On February 1, 2012, the premium will increase to \$0.24 per case. In total, the new incentive will see an annual investment of over \$15 million by Quebec's large brewers.

Currently over 95% of standard brown beer glass beer bottles sold in the province are returned through the century-old deposit return system. Returned bottles are washed, sterilized and refilled up to 15 times before the glass is recycled for other uses. This system, jointly operated by brewers and retailers, annually diverts more than 1.4 billion bottles.

The Environmental Incentive Premium is to encourage retailers to continue their efforts and help ensure that more bottles are returned in conditions suited for reuse.

For more information, visit www.brasseurs.qc.ca.

Validity of packaging study questioned

A study commissioned by Sidel, a manufacturer of packaging lines for beverages (in glass, plastic and cans) has determined that PET is the best overall choice, from a life cycle analysis (LCA) perspective, for non-returnable, single-use packaging of beer.

The study looked at beer produced and packaged in Belgium and sold, consumed and disposed in the UK. It compared the full lifecycle production of 100 L of beer—from growing the grains to recycling/disposal—in different packaging options: PET bottles, glass long-neck bottles, and aluminium and steel cans.

The study found that primary packaging and production had the greatest environmental impacts, with transport and secondary packaging are relatively small. Based on the parameters and assumptions used (such as the electricity mix), steel cans and PET bottles were found to contribute the least to global warming and

air acidification.

Aluminium cans were found to be a good choice when recycling rates were high, but PET bottles below 20 g in weight were the preferred overall choice in terms of climate change.

Recycling rates and packaging weight were found to be the key factors influencing the LCA. Not surprisingly, weightier glass bottles ranked poorly in the study, which did not include the savings presented by refilling containers. This led the head of British Glass, David Workman, to question the validity of the study based on the use of "selective criteria."

In an article in the UK *Packaging News*, Mr. Workman said that LCA should be done on a "cradle-to-cradle basis" and, as yet, there was no such study for glass.

The study is available online at www.sidel.com.

COMING EVENTS

Feb 22–25

Ontario Good Roads/Rural Ontario
Municipal Conference
Toronto, ON
(905) 795-2555
www.ogra.org

March 18–20

Local Government Administration Association
of Alberta Conference and Trade Show
Red Deer, AB
(780) 398-3994
www.lgaa.ab.ca/events.htm

March 26–29

Ontario Automotive Recyclers Association
Convention and Trade Show
Toronto, ON
(519) 858-8761
www.oara.com

April 22–25

Northwest Ontario Municipal Association Conference
Fort Frances, ON
(807) 626-0155
www.noma.on.ca

May 27–28

Municipal Waste Association (formerly AMRC)
Spring Workshop and Annual General Meeting
Orangeville, ON
(519) 823-1990
www.amrc.ca

June 14–17

Association of Municipal Clerk-Treasurers of Ontario
71st Annual General Meeting
Sault Ste. Marie, ON
(905) 602-4294
www.amcto.com

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Opinion Piece

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

The markets meltdown could help stewards make the move to 100%

By Jay Arthur

I keep telling myself that I am dreaming. But there is little doubt now.

In a few years, maybe sooner, the municipal taxpayers in Canada's largest province could be off the financial hook when it comes to recycling.

Hard to believe, isn't it?

All those years banging their heads against the wall at Queen's Park have, it seems, finally paid off for the municipalities.

It's strange. Anyone, anywhere in the world makes a statement about plastic bags and it's on news wires all over the place. And then we get all the predictable responses from industry and from environmental groups.

And yet, when Ontario's Environment Minister John Gerretsen announced he wanted industry to pay all the blue box costs within five years, where were the headlines?

Oh sure, there was coverage in the trade publications (including this one, I noted), but I don't recall any stories in the major media.

The coverage about tanking recycling markets has been everywhere, but you'd have to look very hard to find any mention of the fact that this should be industry's problem exclusively down the road.

(When of course it actually *will* be industry's problem is the big question, but I am going with five years as the longest we should have to wait.)

This month, the mandarins at Waste Diversion Ontario (WDO) have come up with a report. It responds to Mr. Gerretsen's request for a review of the blue box program, including the move towards real extended producer responsibility (EPR).

And following the consultation that the report used as a basis for its

findings, consultation on the report itself is now taking place.

There's a lot of juicy stuff in this report, including the notion that up to 10% of the blue box material could be burned for its energy value—and counted as recovery (notwithstanding the current Ontario policy on these things and the anti-incineration troops who will no doubt make their presence felt).

The WDO report also tells us, however, and not surprisingly, that while some stakeholders think that it's high time for full EPR, others are promoting what is euphemistically termed the "shared responsibility model."

"It still amazes me how municipalities got conned into this recycling game to begin with."

Indeed, the original Blue Box Program Plan was based on it. Providing people with a way to keep consumer products and packaging out of the landfill was, to use another term much in vogue, a "partnership" between industry and municipalities.

While there has been considerable discussion about exactly how much of a partnership it really is and how much "share" industry is paying, there is still that basic question that screams out to be answered.

Since when was it the responsibility of the municipality to collect this stuff anyway? It has been for years the custom of communities to collect waste and find a place to manage it and pay for it collectively. But that's about maintaining basic levels of public health, not about getting the raw materials for secondary products back to industry.

It still amazes me how municipalities got conned into this

recycling game to begin with.

So this arrogant position that says it is a shared responsibility is, well, garbage.

And it is pretty clear that Mr. G. feels the same way, although he is far too much of a gentlemen to put it that way.

Assuming this EPR ship cannot be turned around by industry lobbyists, by 2014 it will all be on the stewards' tab, even if some municipalities continue to collect the blue box as contractors, as they will be doing with electronics and household hazardous waste.

The current free fall in recycling markets is just the thing to bring a little reality check to the future full funders of the program.

Given the convoluted payment formula, industry stewards won't actually see the hit from today's plunging revenues (and hence skyrocketing net costs) for another three years. By that time, the markets will likely be back to normal.

So whatever method is used to get them to 100% from the current theoretical 50%, their fees will already be preloaded by Year Three with the fallout from the 2009 meltdown.

And who knows, maybe the other stewards will be able to get the newspapers to put some cash on the table.

Oh, now I AM dreaming.

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