



Understanding & Choosing the Right EPR Model - The Canadian Experience

Northeast Recycling Council's Conference

March 30, 2021



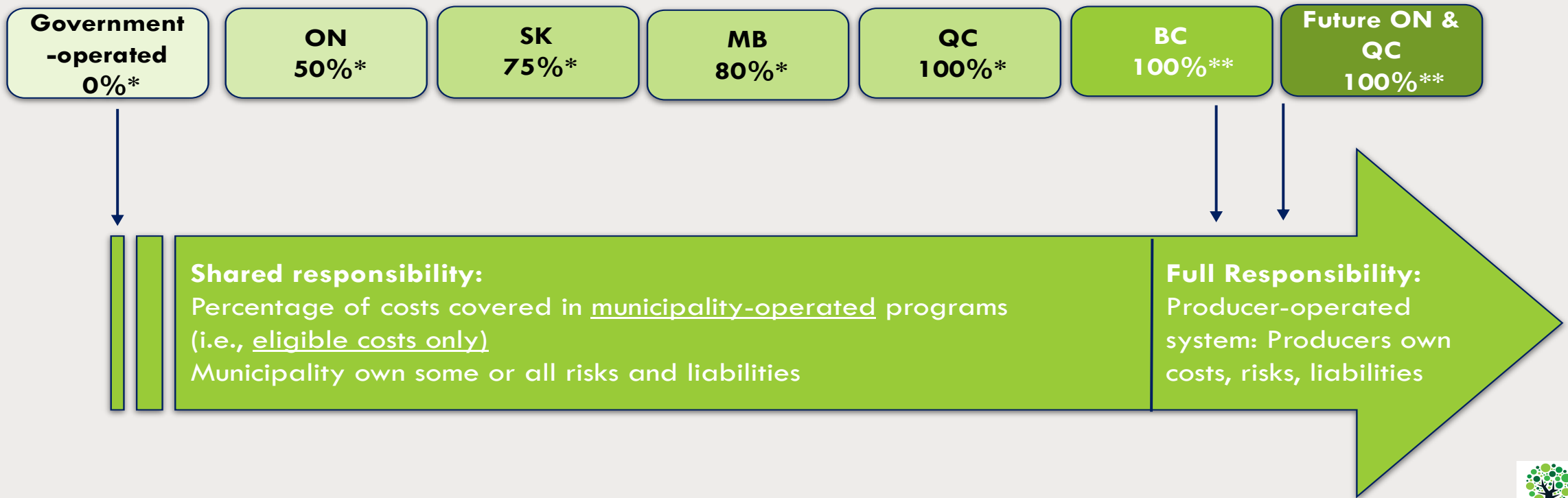
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Importance of Context

- Policy is often a reflection of certain political, geographic, cultural and time and path specific circumstances (e.g., population densities / economies)
- It is constantly evolving based on circumstances
- Easy to critique past policies and to pretend to understand the nuances of every jurisdiction
- Don't pretend to know what is best for every jurisdiction but can explain what has worked and not worked in Canada including why

Producer Responsibility Policies Vary



* Producer funding obligation

** BC & Future ON&QC producers are operationally and financially responsible

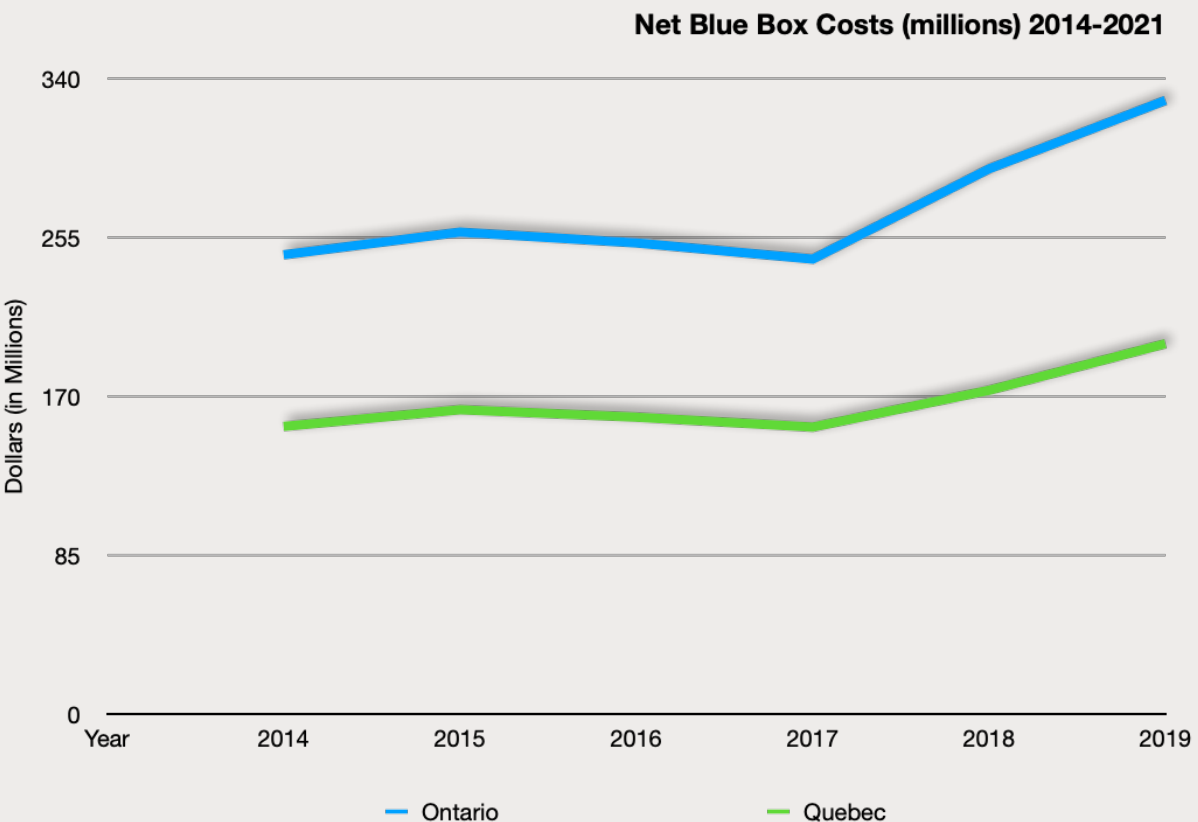
Intent will impact policy design

- Simply a mechanism to provide stable funding
- Meant to place responsibility on the party with the greatest ability to affect changes - whether through product/packaging design, more robust collection, reuse and processing systems, commodity market or some combination thereof
- Means to track and measure performance
- Incent economic activity in the jurisdiction
- Some combination of the above



Key considerations leading to a new policy

- Growing consensus on need for policies to address pollution
- Recent declines in commodity markets and Asian demand have shown the importance of a strong circular economy and a sustainable financial model
- Necessity for producers, MRF's and reclaimers to work hand in hand in attaining recycling targets
- Ensure a better control over recycling costs
- Growing demand for recycled content



Differences in Policy Design

- Targets
 - Collection, management, P&E, accessibility, GHG reduction targets, product design
 - How are they measured?
- Responsibility
 - Shared responsibility Vs full producer model
 - Designated products and/or packaging
 - Designated businesses/producers
 - Degree of prescriptiveness
 - Role of Producer Responsibility Organization(s)

Differences in Policy Design

- Enforcement
 - Are there consequences?
 - Are there resources for enforcement
- Liability
 - No legal liability, because it is a voluntary program established by a producer or multiple producers;
 - Legal liability is established in the policy but can be transferred to collective organization;
 - Legal liability is established in the policy and cannot be transferred;
 - Legal liability exists but is not enforced.

Lessons learned

Top 4 lessons

- Shared Responsibility had led to problems
- Increase in economic opportunity and the impact of policy design
- The need for high, enforceable targets
- Not a silver bullet

Case Study - Ontario

1980s

- First Blue Box pilot in Kitchener
- Voluntary agreement by soft drink industry to partially fund municipal programs (voluntary)
- Changes to refillable laws

2000s

- Waste Diversion Act (WDA) passed with shared responsibility model (50/50 cost sharing)
- New programs for tires, EEE, HHW
- Review of WDA

2020s

- 3 year transition to full producer responsibility

1990s

- New regulation forcing municipalities 5,000+ to have curbside recycling programs and requirements for business
- Government funding provided
 - Escalating costs led to sustainability issue

2010s

- Number of political issues related to programs
- First gov't legislation proposed & failed (moved to 100% funding but municipal control)
- Waste Free Ontario Act passed with unanimous support (100% funding & industry has full control)

Case Study – Recovery rates and responsibility models

	BC (Residential)	BC (Deposit)	Alberta (Deposit)	Ontario (Residential)	Quebec (Residential)
Paper/cardboard	83 %	N.A.	N.,A	76 %	71 %
Plastic	46 %	77 %	82 %	32 %	35 %
Metal*	73 %	81 %	89 %	53 %	53 %
Glass	87 %	91 %	93 %	80 %	79 %
Total	78 %	78 %	85 %	64 %	64 %
Sources	RBC AR 2019 Aluminum only for deposit programs	Encorp AR 2019	ABCRC Sustainability report	PIM 2017	Carac Rés. 2015-2017

Thank you!

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