

Industry Stewardship and Producer Responsibility in Canada

Prepared by Michael Jessen for Zero Waste New Zealand Trust, 2002

Industry stewardship initiatives have a prominent place on the roadmap to zero waste and, taking Canada as an example, such programs perform a conspicuous part in reducing waste going to landfill.

The need to inspire changes in product systems toward sustainability as well as the pressure to embrace sustainable waste management systems has led many jurisdictions to introduce a variety of producer responsibility or stewardship regulations.

Such strategies typically extend the role of producers from cradle-to-grave of a product's life, but increasingly producers are finding ways to steward their products from cradle-to-cradle. Once given stewardship responsibility, it appears producers begin to realize the profit centres such obligations can foster. The challenge of product stewardship is to move beyond disposal to facilitate a paradigm shift toward "zero waste" and sustainable production."

In this context, one thinks of Interface, Inc., which has stated that as a company, it wishes to become a net gain to the environment instead of draining from it. Interface Research Corporation recently released the first-ever online sustainability report for Interface, Inc. at <http://www.interfacesustainability.com/>. It is a portal for the stories, metrics and product innovations that best exemplify Interface's progress in creating a more restorative model for industry, by promoting sustainable business practices within its own facilities and throughout the global marketplace.

But Interface is still the exception rather than the rule. Too many producers still fight the efforts of governments and NGOs to label them as "responsible entities" since they perceive additional responsibility as an additional cost burden. Many levels of government have found that unless their stewardship regulations involve a financial commitment from industry, there is really no incentive for industry to participate in end-of-life management and make changes in their business behaviour.

Product stewardship policies and programs should create incentives for the manufacturer to design and produce "cleaner" products – ones made using less energy, materials, and toxics, and which result in less waste (through reduction, reuse, recycling, and composting) and use less energy to operate. These policies should also create incentives for the development of a sustainable and environmentally-sound system to collect, reuse, and recycle products at the end of their lives.

Although it has only 10 provinces and three territories, Canada has developed more industry stewardship initiatives than any other North American jurisdiction. British Columbia has the most such programs. There are several other regulated programs in other provinces -- 8 provinces with tire programs and 7 provinces with oil programs, two with paint, and others have programs under development. With the advent of more industry stewardship and extended producer responsibility regulations in the European Union, Canada is well-placed to build regulations into its voluntary programs.

Despite the small number of government jurisdictions, Canada is the world's second largest country with a total area of 9,970,610 sq km (3,849,674 sq mi). Perhaps that is one explanation why stewardship programs vary from province to province.

British Columbia, Canada's most westerly province, has the most legislated stewardship programs of any province. It has industry stewardship regulations for beverage containers, lead acid batteries, medications, paint, scrap tires, used motor oil, and solvents, flammable liquids, gas

and pesticides. In 1970 BC became the first jurisdiction in North America to establish a mandatory deposit-refund system for soft drink and beer containers as a litter control initiative.

Almost every other province and territory (except Nunavut) now has some form of existing or proposed beverage container recovery strategy, although the provinces of Ontario and Manitoba only have a deposit-refund system for beer bottles. Other beverage containers in these two provinces are collected in Blue Box or Blue Bag curbside recycling programs. While the other provinces have depots that accept empty containers for deposit refunds, Quebec's program is strictly return to retail. BC has return to retail and depot.

And while many provinces give full refunds on all beverage containers, some provinces only give half back (Nova Scotia) or half back only on non-refillable containers (New Brunswick). Manitoba levies a 2-cent tax on all beverage containers and uses the money to fund curbside recycling programs that accept the containers as well as other recyclables.

The mix of container types also varies from province to province. Cans have a large market share in Ontario, whereas Prince Edward Island prohibits non-refillable containers for beer and soft drinks.

Only Alberta, Saskatchewan, and Nova Scotia have developed dairy industry agreements for all milk containers, although HDPE plastic milk jugs are collected in most recycling programs in other provinces.

Deposit programs on refillable bottles generate the best recovery rates in Canada. Ontario's beer bottles and Prince Edward Island's soft drink containers both sport a 98% recovery. With no deposit at all, Ontario's soft drink container recovery languishes at between 35 and 50%. Most other provinces and territories have recovery rates varying from 78 to 94%.

Scrap car tires and used motor oil are the other major stewardship programs existing in virtually every province in Canada except Ontario. Voluntary paint collection and household hazardous waste collection days are prevalent in most provinces, although both these programs are administered in BC under Product Care (<http://www.productcare.org/>), an industry sponsored association. Other provinces are looking at developing similar regulations for these materials.

Manitoba is the only province yet to propose an electronic equipment recycling regulation. The province wants an industry stewardship program in place by September 2002.

Nova Scotia, Alberta, and Prince Edward Island have specific programs to recover used sharps (used syringes and needles), although these materials are also legislated under BC's more sweeping pharmaceuticals recovery program.

Whether legislated or voluntary, it is apparent that Canada's industry stewardship programs are helping keep beverage containers, toxic (hazardous waste, pesticides) and problematic (tires) materials out of the country's landfills.

Although only Nova Scotia claims to have achieved the country-wide 50% waste reduction goal by the end of 2000, this small province bans more material from its landfills than any other province. That fact plus a major composting plant in the Nova Scotia's capital of Halifax may have played significant roles in reaching the goal.

As long as the provincial leader in industry stewardship -- British Columbia -- does not back away from any of its current programs, it is highly likely that more provinces will reach agreements with producers to recover their products and packaging and move nearer to a closed-loop resource recovery model.

Canada has definitely shown that industry stewardship is one route to go on the drive for zero waste.

Resources -

For more information on Canada's initiatives see "**Industry Product Stewardship and Beverage Container Waste Management Programs in Canada**" compiled by Michael Jessen, Zero Waste Services, 5635 Highway 3A, Nelson, BC V1L 6N7. E-mail: Michael@zerowaste.ca Phone: 250/229-4621; Fax: 775-587-9838. Web site: <http://www.zerowaste.ca>

Environment Canada's Extended Producer Responsibility and Stewardship web site is at <http://www.ec.gc.ca/epr/en/index.cfm>.

The United States Environmental Protection Agency's Product Stewardship web site is at <http://www.epa.gov/epr/index.htm>.

The GrassRoots Recycling Network, based in Athens, Georgia, has been a leader in the fight for extended producer responsibility, including a long battle to force Coca-Cola to live up to a promise to increase recycled plastic in its beverage containers. An excellent page of resources can be found at http://www.grrn.org/resources/producer_responsibility.html. Another GRRN web page (<http://grrn.org/beverage/deposits/>) contains information on model deposit systems and the report of a new study that shows the U.S. can double the recycling of beverage containers and save money at the same time. Additional information on deposit systems for beverage containers is found on the web sites of Businesses and Environmentalists Allied for Recycling (BEAR) at <http://www.globalgreen.org/BEAR/> and the Container Recycling Institute (CRI) at <http://www.container-recycling.org/>. CRI's sister web site -- The Bottle Bill Resource Guide at <http://www.bottlebill.org/> -- has information about the current status, recent trends, and background of Canada's beverage container recovery programs. GRRN and CRI launched <http://www.saveabottle.org> in April 2002 to pressure Coca-Cola and Pepsi CEOs to stop opposing bottle deposits in the U.S. Despite the opposition of these two beverage giants, Hawaii became the 11th state with beverage container deposits when Governor Benjamin J. Cayetano signed the state's bottle bill into law June 25, 2002.

The Institute For Local Self-Reliance has information on BC's product stewardship programs at http://www.ilsr.org/recycling/bc_main.html and endnotes for this information at http://www.ilsr.org/recycling/bc_endnotes.html. This organization has also published many reports and fact sheets on extended producer responsibility by Brenda Platt and/or Neil Seldman. Check ILSR's web site at <http://www.ilsr.org/recycling/epr.html> and under publications.

The Product Stewardship Institute at the University of Massachusetts/Lowell assists state and local government agencies in establishing cooperative agreements with industry and developing other initiatives that reduce the health and environmental impacts from consumer products. The Institute defines Product Stewardship as a principle that directs all actors involved in the life cycle of a product to take responsibility for the impacts to human health and the natural environment that result from the production, use and disposal of the product. The PSI's Coalition members have identified five Product Stewardship is a principle that directs all actors involved in the life cycle of a product to take responsibility for the impacts to human health and the natural environment that result from the production, use and disposal of the product. They are electronics, paint, mercury, pesticides, and carpet. The Institute has developed "Principles of Product Stewardship" to support state and local agencies in promoting product stewardship and developing voluntary agreements with industry and environmental groups to reduce the health and environmental impacts from consumer products. The Principles can be downloaded from

<http://www.productstewardshipinstitute.org/pdf/PrinciplesofPSI.pdf>. The Institute's web site also has a five-page menu of the basic components of a state or local product stewardship policy that an agency could adopt in developing its own formal policy. As well, there are samples of local government product stewardship resolutions already enacted. (<http://www.productstewardshipinstitute.org/>).

The National Recycling Coalition, Inc. released "Issue Paper #1: Manufacturer Responsibility" in October 2001. The organization is welcoming the input of its members as the Coalition develops its strategy for addressing the issue of manufacturer responsibility. The paper can be accessed at <http://www.nrc-recycle.org> or downloaded as a pdf document from <http://www.nrc-recycle.org/members/advocacy/issuepapers/IssuePaper1.pdf>.

The Northwest Product Stewardship Council (NWPSC) is a group of government agencies, non-profit organizations and businesses that attempt to integrate product stewardship principles into the policy and economic structures of the Pacific Northwest. Their web site is found at <http://www.productstewardship.net/>.

Links to product stewardship sites and Clarissa Morawski's articles on beverage container stewardship across Canada are available at <http://www.productstewardship.org/> maintained by Ben Bennett Communications.

<http://wastemanagement.about.com/cs/canadaprovs/> - This page contains links to the environmental programs for the Provinces and Territories of Canada. This includes recycling, pollution prevention, and enforcement as well as other information. Each Province and Territory has their own unique problems and solutions addressing their waste management agendas. Reviewing the individual programs and problems will help you better understand how things are done in each locality. Some of the links may be outdated.

Most provinces have their own material exchanges in Canada, although the four Atlantic provinces operate a joint exchange program. A list of the exchanges and their contact information is available at http://ec.gc.ca/w_ex/welist_e.html.

An Overview of Product Stewardship Initiatives for Electronics Products presented by Gary Davis of the Center for Clean Products and Clean Technologies at the National Electronics Product Stewardship Initiative Meeting San Francisco, CA, June 21, 2001 is available at http://eerc.ra.utk.edu/clean/presentations/nepsi/nepsi_files/frame.htm.

"Cradle-to-Grave Thinking: Product Stewardship Takes Flight in Minnesota" is an article in the Winter 2000 (Volume 10, Number 1) of The Resource, the journal of the Minnesota Office of Environmental Assistance. It is available at <http://www.moea.state.mn.us/res/productstewardship.cfm>.

An excellent article with examples of product stewardship is the New Years 2001 edition of Pollution Prevention Northwest published by the Pacific Northwest Pollution Prevention Center. It is available at <http://www.pprc.org/pprc/pubs/newslets/news0101.html>.

"Extended Product Responsibility: A New Principle for Product-Oriented Pollution Prevention", published by the Center for Clean Products and Clean Technologies, University of Tennessee-Knoxville can be downloaded from <http://eerc.ra.utk.edu/clean/pdfs/eprn1-4.pdf> (chapters 1-4) and <http://eerc.ra.utk.edu/clean/pdfs/eprn5-8.pdf> (chapters 5-8).

"Extended Product Responsibility: An Economic Assessment of Alternative Policies," published by Resources for the Future is downloadable from http://www.rff.org/CFDOCS/disc_papers/PDF_files/9912.pdf.

"An Inventory of Waste Diversion Programs in Canada - Part 1: Programs Funded in Whole or in Part by Industry & Consumers" (Environment Canada, September 1999) can be downloaded from

<http://www.ec.gc.ca/epr/pdf/CCMEStewReportEng.pdf>.

"Extended Producer Responsibility: A Guidance Manual for Governments" (Organization for Economic and Cooperative Development, October 2000) executive summary and contents can be downloaded from <http://www.ec.gc.ca/epr/pdf/EPRGuideEng.pdf>.

"Guiding Principles for Packaging Stewardship" (Canadian Council of Ministers of the Environment, May 1996) can be downloaded from

<http://www.ec.gc.ca/epr/pdf/CCMEPackPrincEng.pdf>.