



Retailer Leadership in EPR Programs for Packaging

Presentation to RCBC EPR Conference
November 3, 2010

The Canadian Council of Grocery Distributors

- CCGD members include large and small retail and wholesale operations, food service distributors and allied members that provide products and services to the industry. Together, they represent approximately \$121 billion in retail sales.
- CCGD's Western members employ over 154,000 people.
- Western consumers make up 35.2 per cent of the overall Canadian grocery market, the largest segment in the country.



Packaging in the Food Industry

- A critically important principle for the grocery industry is our primary and steadfast commitment to food safety and integrity, which is the highest priority in consideration of any packaging discussion.
- Our members support the goal of zero waste in principle, as well as reducing packaging waste and promoting more sustainable packaging choices based on science-based, life-cycle analysis.
- Our support for zero waste in principle, is within the context that food industry packaging requirements must meet food safety and integrity standards as a higher priority, even if it is at the price of achieving environmental goals.

CCGD and Sustainable Packaging

- Active in EPR Programs (or developing programs) across the Country – BC, Saskatchewan, Manitoba, Ontario, Quebec
- Participant in Global Packaging Project (GPP) – Global set of metrics and indicators for sustainable packaging
- Sustainability Database – Leading effort to expand existing industry database to act as a repository of sustainability data and facilitate dialogue between trading partners
- Advocate for Industry Collaboration with CCME – Develop common platform with provincial governments to encourage harmonization



Why is Packaging EPR Important?

- CCME Canada-Wide Action Plan for EPR - Jurisdictions have committed to working towards operational EPR programs for packaging and printed materials by 2015
- Impact of stewardship fees – Current projections are that CCGD members alone will be paying over \$100 million in stewardship fees by 2015
- Packaging is unique within EPR Programs – Collective collection model and involvement of municipalities
- Administrative Role for Retailers – Impact of first importer status is significant for retailers, particularly outside Ontario and Quebec



Existing Packaging Programs

Manitoba

- Program launched April 1, 2010
- 80/20 split between industry/municipal funding

Ontario

- Legislation currently under review
- Current Blue Box program based on 50/50 cost share
- Government intention to shift to full 100% EPR model

Quebec

- Program based on Ontario model but new bill expected in early 2011 to shift current program to full 100% EPR model



Roles and Responsibilities

Government

- Initiates Regulation
- Approves Program Plan Regulation
- Reviews industry annual reports to ensure compliance
- Maintains level playing field for all stewards

Industry

- Operates under Regulation
- Plan development & implementation, including compliance & funding mechanisms
- Register stewards & collect fees
- Market development
- Dispute resolution
- Annually reports to government



Packaging in BC

Strengths

- Framework Recycling Regulation is a model for other jurisdictions
- EPR has bi-partisan support – Started by NDP government and expanded under BC Liberal government
- Knowledgeable MoE staff willing to collaborate with industry and stakeholders and support the development of leading edge programs

Potential Issues

- Lack of population density outside Lower Mainland = increased costs
- Presence of deposit system further increases costs of blue box system relative to other jurisdictions
- First 100% EPR system in the country – Requires extensive engagement with municipalities during transition



Three Keys to Effective EPR

- Governance – For an EPR program to be effective, it requires a strong Producer Responsibility Organization (PRO) that is accountable to the stewards, independent from government and transparent with the public.
- Continuous improvement – Programs should include continuous improvement processes to deliver increasing efficiencies that derive the most efficient cost for the entire system.
- Role of the Consumer - Recognition that the consumer has a role to play in the end-of-life management of products and packaging.

Five Questions for the Future

- Should there be a Role for EPR to Influence Packaging Design?
- Is there a Role for Municipalities in a 100% Industry-Run Program?
- What 100% EPR mean to Governments?
- Bio-Plastics – Solution or Problem?
- Harmonization – Realistic Objective or Impossible Dream?

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