



**M A R B E K**  
Resource Consultants Ltd.

## **NATIONAL PACKAGING WORKSHOP**

**Toronto**  
**March 12-13, 2007**

*– Summary Report –*

*Prepared for:*

**Canadian Council of Ministers of the Environment**

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## EXECUTIVE SUMMARY

The Canadian Council of Ministers of the Environment (CCME) works to promote effective intergovernmental cooperation and coordinated approaches to inter-jurisdictional environmental issues. The Extended Producer Responsibility (EPR) Task Group, formed in 2005, reports to CCME's Environmental Planning and Protection Committee. The Task Group's mandate is to provide guidance on the development and implementation of EPR and stewardship programs, and to deal with packaging as a first priority.

On March 12<sup>th</sup> and 13<sup>th</sup>, 2007 a national workshop took place in Toronto, Ontario, focused specifically on packaging issues and the potential CCME role. This workshop was hosted by CCME and the Ontario Ministry of Environment. The objectives of this national workshop were to:

- Engage a cross-section of interested groups/individuals in discussion of key packaging issues
- Identify potential CCME contributions, initiatives, and outcomes on packaging.

The workshop consisted of a series of presentations and discussion addressing the following session themes: sustainable packaging, policy directions, packaging stewardship funding models, green procurement, measuring progress, and the federal role. Following robust discussion, participants developed three key recommendations to the CCME EPRTG:

### *Key Recommendations to CCME EPRTG:*

1. *CCME should take a leadership/facilitation role in encouraging sustainable packaging in Canada.*
2. *CCME should develop and lead a national process for the development of a long-term strategy to achieve sustainable packaging, including stakeholder based development of definitions, vision, standards, and (perhaps later) targets and tools. The process should consider and respect differences that exist in existing programs, and should only proceed if provinces commit to the process so that it will make a difference.*
3. *CCME should immediately initiate work in selected "Quick Win" areas (short term actions) as outlined below.*

With respect to the 3<sup>rd</sup> recommendation noted above, the candidate “quick wins” described below were anticipated to be first steps that the CCME could take this year, building towards the development and implementation of a long-term strategy.

- Develop a vision: Using a multi-stakeholder process, formalize the adoption of the CCME outcome for packaging from the 2006 EPR Workshop (review other relevant principles/visions as necessary in order to finalize this vision).
- Initiate work towards the development of definitions, targets or standards: Review the European Packaging Directive and the Sustainable Packaging Coalition as a first step. Examine the potential role of advisory standards (e.g. material-specific standards via Ecologo or other rating scheme).
- Examine the applicability of tools to support standards: Examine the applicability of life-cycle tools, inventories, or other measurement standards, to support CCME targets or standards developed for this initiative.
- Initiate work required for the development of a long-term strategy: Review what is currently going on across the country with respect to packaging to establish a benchmark and identify gaps and priorities. Develop an action plan to identify EPRTG priorities and how decisions will fit into the eventual development of a long-term strategy. This includes exploring options for a possible ombudsman role.

# **1. INTRODUCTION**

## **1.1 BACKGROUND**

The Canadian Council of Ministers of the Environment (CCME) works to promote effective intergovernmental cooperation and coordinated approaches to inter-jurisdictional environmental issues. The Extended Producer Responsibility (EPR) Task Group, formed in 2005, reports to CCME's Environmental Planning and Protection Committee. The Task Group's mandate is to provide guidance on the development and implementation of EPR and stewardship programs, and to deal with packaging as a first priority. The Task Group has undertaken some initial work on EPR, including developing definitions, principles, and tools for undertaking EPR programs. In September 2006 a National EPR Workshop was held to solicit stakeholder feedback on this work, and to identify potential roles for CCME with respect to EPR. In March 2007 a second national workshop took place in Toronto, Ontario, which focused specifically on packaging issues and the potential CCME role. This workshop, hosted by CCME and the Ontario Ministry of Environment, was held at the Novotel Hotel in Toronto, March 12<sup>th</sup> and 13<sup>th</sup>, 2007. This report presents highlights of the presentations and main discussion points from the workshop<sup>1</sup>.

## **1.2 OBJECTIVES**

The objectives of this national workshop were to:

- Engage a cross-section of interested groups/individuals in discussion of key packaging issues
- Identify potential CCME contributions, initiatives, and outcomes on packaging.

## **1.3 OPENING REMARKS**

Don Jardine, Chair of the CCME EPR Task Group, gave opening remarks and welcomed participants to the workshop. Mr. Jardine reviewed the objectives and the desired outcome for this workshop. He also gave an overview of CCME and the EPR Task Group including their mandate, structure, and work plan. He then introduced George Matheson as facilitator for the workshop. Mr. Matheson welcomed participants and reviewed the agenda for the workshop.

Opening remarks were provided by the Deputy Minister of the Ontario Ministry of Environment, Paavo Kivisto. He noted the importance of building on the success of the National Packaging Protocol (NAPP), and that a similar national strategy continues to have merit to bring jurisdictions together. He acknowledged that this problem requires a long-term strategy, with short term actions that current Ministers can deal with. He reviewed the progress in Ontario in addressing environmental topics including the Blue Box program. However, he pointed out that difficult issues remain to be addressed, such as municipal responsibility to deal with non-recyclable packaging. He suggested that there were opportunities to engage the private sector such as applauding companies that have adopted green policies, and capitalizing on the fact that environmental issues are currently a high priority for the public. He also suggested that public sectors could extend green procurement policies to transfer payments.

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<sup>1</sup> Presentation details are found in the presentation files, available from CCME.

## **2. KEY NOTE PRESENTATION**

The Honourable Laurel Broten, Minister of the Environment for the Government of Ontario gave a key note presentation. She noted that packaging was a key priority at the last CCME meeting, and that the Premier of Ontario is committed to taking steps forward on this issue. She highlighted that leadership on this issue by both governments and the business community is vital. Consumers make daily choices that affect the environment and look to business and government leaders for direction. She pointed out that governments are committed to addressing this issue through a long-term strategy but they need input with respect to priorities and specific next steps. Governments want immediate actions which will contribute to long term success.

Minister Broten quoted famous economist and academic Sir Nicholas Stern, who stated that good policy ties the economy and the environment. Minister Broten outlined that the business case for tackling environmental issues for industry is evident; it is beneficial to the corporate financial “bottom line” to reduce their impact on the environment as demonstrated by voluntary commitments initiated by large retailers. She noted the validity of implementing good policy that can provide both economic growth and reduced environmental impact. She outlined that large retailers can have a significant impact with their suppliers, as well as with consumers. For example, Ikea will be charging consumers for each one-way plastic bag in U.S. stores, while they have reduced the price of their reusable bags. She also presented regulatory examples initiated by government to address this issue: Australia is phasing out single use plastic bags, while Ireland is initiating a charge for the use of grocery bags nation-wide. Minister Broten emphasized the importance of understanding lessons learned from both private sector and government initiatives from other countries.

Minister Broten underlined the interconnectedness of environmental issues, including the need to reduce the volume of solid waste disposed in above-ground dumps in Canada’s north, because of permafrost changes from climate change. She highlighted that climate change is the defining issue of this generation, and that it can be addressed both directly and indirectly in small steps such as reducing solid waste generation (since greenhouse gas emissions are linked to the amount of waste we produce), and focusing on the first “R” of the three “R’s” hierarchy: reduce.

## **3. SPEAKER PRESENTATIONS**

### **3.1 SESSION #1: SUSTAINABLE PACKAGING**

David Eggleston of the Industry Council for Packaging and the Environment (INCPEN) in the United Kingdom gave a presentation on this non-profit organization and the challenges they face. He emphasized that packaging cannot be addressed in isolation from the supply chain. Consideration of a holistic approach is required, including packaging designers, manufacturers, distributors, wholesalers, retailers, consumers, and local authorities who want to recycle the package as efficiently as possible. Although the life-cycle of packaging is energy intensive, products typically embody ten times more energy than the package in which it is sold. The main job of packaging is to ensure that the investment in the product is not wasted and that it meets health and safety objectives.

Jim Thompson of Wal-Mart gave a presentation on how sustainable packaging influences purchasing decisions. He outlined that Wal-Mart is committed to being a retail leader in sustainability by establishing goals with respect to reducing solid waste, using renewable energy, and selling products without toxic materials. With respect to reducing packaging solid waste, they focus on reducing weight, volume, and the number of materials used in a single package. He outlined a number of examples of these activities, which all result in reduced operating costs and reduced post consumer waste. With respect to material switching, they use Polylactic-acid (PLA) for fresh produce, which is made from renewable resources rather than petroleum-based plastics. In addition, they use supplier score cards to identify green suppliers. These score cards rate a number of variables, including the: greenhouse gas footprint from manufacturing and use of the product; use of renewable energy in production; recycled content in the package; cube size of the product and its package; collection programs in place for end-of-life management; market value of the post-consumer material; and packaging innovation.

### *Discussion*

Participants discussed the definition of sustainable packaging, which has different meanings to different people. One participant wondered whether Design for Environment (DfE) objectives, such as designing a package for recyclability, was the answer to sustainable packaging. However, other participants noted that DfE objectives are greater than just recyclability, and must include the entire life-cycle of the package. For example, switching to high-density polyethylene (HDPE) milk jugs for their recyclability rather than using plastic film milk bags may not be the best environmental decision since the jugs are a greater weight to transport (both to the consumer, and post-consumer) and therefore require larger or additional vehicles and would increase greenhouse gas emissions overall.

Participants discussed the effectiveness of various tools available to reduce the environmental footprint of packaging. One participant wondered whether a life-cycle materials database would be valuable for large retailers such as Wal-Mart. INCPEN indicated that they advocate the use of materials databases with caution; they do not encourage their use to conduct life-cycle assessments, but rather to evaluate the carbon footprint of packaging. One participant suggested that an adapted version of the score card used by Wal-Mart could be used as a tool for guidance for other retailers in Canada. It was pointed out that: a scorecard requires a relatively high level of sophistication by the user, while a third-party rating program is less complicated for the decision makers. A municipal representative suggested that it would be valuable for Wal-Mart to partner with municipal associations to review labelling standards used for products/packaging at end-of-life, and incorporate this information into their score card (for example, the details with respect to compostability and recyclability, which are important variables). The value of sharing best practices (in terms of tools) was also highlighted.

There was some discussion with respect to the primary drivers for Wal-Mart's environmental initiatives. The response was that although Ontario's new shared-funding model for their Blue Box may have been a small contributor, commercial pressure to reduce costs in the supply chain was the greatest driver. One participant wondered whether a voluntary or mandatory policy approach is more effective overall. It was acknowledged that Europe has primarily used legislative tools to achieve their objectives, while Canada has not; however there is no clear model that is more effective. Participants wondered how to structure mandatory requirements, while allowing for innovation, within a shared model program.

### 3.2 SESSION #2: POLICY DIRECTIONS

Joachim Quoden, Managing Director of PRO EUROPE, outlined some of the industry realities in relation to the European legislation on packaging. He pointed out that legislation is harmonized throughout the European Union (EU) by means of the Packaging Directive, which outlines both minimum and maximum targets for recycling. All member states have chosen differing models of producer responsibility to comply with the directive, and all have different legislation. He reviewed three models that evolved:

1. Dual model (Germany: industry is 100% responsible for collection, sorting, recycling, while local authorities have no responsibility for the system).
2. Shared model (France: industry pays extra costs for new recycling requirements, while remaining underlying costs are continued to be paid by taxpayers, while local authorities retain responsibility). Most EU member states have implemented this type of system.
3. Tradable Credits model (UK system).

David Eggleston of INCPEN outlined key initiatives in Europe in relation to packaging. He noted that in general, industry was supportive of the Packaging Directive, and that most member states in the EU transferred the industry obligations to the packaging sector. However, in the UK the producer means the “Brandowner” rather than the packaging sector, and they follow the “extended producer responsibility” concept where each level of the supply chain is allocated a percentage of responsibility for the waste management requirements. Each company must ensure that they meet the recycling targets (either by joining an organization to do it for them or by doing it themselves, or by purchasing credits, as in #3 in above list). He noted that the UK system is less expensive compared to other European programs. Mr. Eggleston concluded by highlighting lessons learned for Canada, which include harmonizing among Canadian jurisdictions, and considering the significant progress already made by voluntary programs.

#### *Discussion*

Participants questioned how Canada could improve existing diversion infrastructure. It was highlighted that in the UK, there are two committees: an advisory committee on packaging which forges a link between municipalities and industry to guide efforts to improve diversion infrastructure; and the Waste Recycling Action Program (WRAP) that looks at best practices around the world to advise local authorities.

Participants discussed the value of tracking performance, and having separate diversion targets for residential and industrial, commercial, and institutional (ICI) waste. It was revealed that the EU Packaging Directive applies to all packaging, but many countries have separate recycling targets for the residential and ICI sectors, because activity has been maximized on the least cost route to success, which is the ICI waste stream (it consists mainly of paperboard).

There were some questions with respect to the drivers for the Directive, and whether high landfill costs in Europe were a significant driver. It was acknowledged that high landfill costs did play a role. Participants also pointed out that EU member states have high rates of incineration compared to Canada. It was recognized that the EU Directive has targets for both recycling and energy recovery through incineration.

### 3.3 SESSION #3: PACKAGING STEWARDSHIP FUNDING MODELS

Clarissa Morawski of CM Consulting presented differing models of the producer responsibility approach, including a collectively managed system (where producers pay into an organization that administers all aspects of the program) and an individually managed system (where each producer is responsible for administering a program themselves). She outlined that the primary benefit of the collective system is efficiency and ease of management; however it doesn't encourage DfE, and individual companies are not able to help lower costs of the program. She presented case studies of both types of programs, and highlighted the importance of considering partnerships with not-for-profit groups or retailers to administer take-it-back programs since residential curbside programs are not enough (the majority of beverages are consumed away from home). She also stressed the need for supporting tools such as non-prescriptive regulations and target-setting.

Gordon Day of Corporations Sharing Responsibility (CSR) in Ontario gave an overview of current stewardship programs across the country, and presented the details of Ontario's Blue Box program, a shared model with an equal split of costs between municipalities and producers of printed paper and packaging. He highlighted some key challenges in the program as: managing the funding formula to allocate costs between brandowners and 1<sup>st</sup> importers; and the need for other levels of government to recognize their stewardship obligations. His recommendations to CCME included: harmonize the shared responsibility model for consumer printed paper and packaging across the country, evaluate existing programs for effectiveness, and identify "quick wins" for the environment and not for political gain.

#### *Discussion*

With respect to the costs for running curbside collection programs versus deposit return programs, participants discussed which system was more expensive to operate. The point was made that the answer to this question varies depending on the scope of costs included (and in some instances, subsidies). One participant pointed out that additional cost savings should be included in comparative assessments, such as the decreased costs in litter, a reduction in municipal operational costs, and increased material value for take-back programs (because material is pre-sorted). One participant questioned whether systems not using a collective approach would result in increased monitoring costs for government, citing German plans to prohibit individual systems. The speakers agreed that this is a challenge, and noted that this issue must be considered during program design. Opting out of shared funding models is likely to be easier for a program that hasn't been in place for a number of years, since an established producer "collective" isn't going to want to lose one of their funding members. The point was made that shared responsibility applies to both industry and government organizations, and all programs share some form of the costs, visibly or invisibly.

Participants pointed out that shared funding stewardship models often neglect to consider the need to send the right market signals with respect to recyclability (for example, having a consumer pay more for a non-recyclable package, through producer price signals). On the other hand, a shared funding model that includes curbside pick up of a large number of different recyclable materials makes recycling easy for consumers.

There was one question with respect to Stewardship Ontario and whether it serves rural Ontario communities. It was affirmed that rural areas of the province are included, with 98% of province served by the Blue Box program.

### **3.4 SESSION #4: GREEN PROCUREMENT AND PACKAGING**

Scott Macdougall of TerraChoice Environmental gave an overview of the Environmental Choice Program. He reviewed how green procurement is linked to packaging, and highlighted that the most effective change is realized through the power of the private market, and that the most efficient change possible is via consumer demand. He stressed that concepts such as supply chain management and green procurement through rating or labeling schemes are highly important tools to address packaging. He also highlighted the importance of engaging with existing initiatives such as the Sustainable Packaging Coalition and The North American Green Purchasing Initiative.

#### *Discussion*

Participants discussed the merits of rating systems and labeling systems. It was acknowledged that high-level principles have already been established by some U.S. organizations for sustainable packaging rating systems. Participants pointed out that the importance of building on this work. Some participants suggested that it would be easier to establish a rating system (such as bronze, silver, or gold), compared to criteria-based labeling system for sustainable packaging in Canada. Participants agreed that green procurement can drive DfE improvements in packaging.

The point was made that green procurement is also an effective way to address commercial waste. One large Canadian municipality includes tender requirements for producer take-back of packaging. Others pointed out that some federal standing offers for printers also includes these provisions; however the point was made that these requirements need to be communicated to relevant staff so that they are aware of these requirements when shipments are received.

### **3.5 SESSION #5: MEASURING PROGRESS**

John Marshall of Statistics Canada provided an overview of surveys underway by Statistics Canada in relation to the environment and consumer behaviour. He noted that there are five new surveys being implemented related to: households and the environment; energy use in the home; industrial water use; municipal water intake quality; and agricultural water use. He pointed out the importance of demonstrating results under a new packaging agenda, which will require establishing a system for defining a baseline and measuring progress. Currently, Statistics Canada does not include stewardship statistics in their waste diversion survey.

#### *Discussion*

Participants acknowledged there may be accuracy issues with respect to information from surveys, such as inconsistent measurement and conversion data, as well as of honesty in survey completion. It was pointed out that Statistics Canada has a system of red flags that are used to highlight irregularities in data, and any irregularities are addressed.

With respect to the issue of reporting burden, it was noted that municipalities who already report their diversion data to a provincial authority are not required to report again to Statistics Canada (who obtain that information from the relevant provincial authority).

With respect to waste composition studies, Statistics Canada recommends point of consumption data, and information on material type is the most appropriate data to collect from such studies.

### **3.6 SESSION #6: PROGRAM HARMONIZATION AND THE FEDERAL ROLE**

James Downham of the Packaging Association of Canada (PAC) gave a presentation that focused on the importance of program harmonization and free market drivers to achieve objectives. He noted that one of the main packaging problem is imported packaging, which is not subject to Canadian design guidelines. In addition, aspects such as food safety and seniors' abilities to open packaging must be also considered. He noted that PAC has continued to be active in environmental packaging design, including a new partnership with the U.S. based Sustainable Packaging Coalition. He recommended a multi-stakeholder task force to examine the programs across the country and decide the most cost-effective way to address these issues. In addition, he suggested that one of the reasons that Canada's plastics recycling market was inefficient was due to the high number of recycling facilities in operation.

Duncan Bury of Environment Canada presented an overview of the evolution of the federal role in the packaging agenda in Canada, and key federal studies that were done as part of NAPP. He confirmed that provinces have clear mandate to address the environmental impacts of packaging, and the federal mandate is limited to such areas as labeling, product content, and packaging safety. He noted that the government of Canada has an official green procurement policy for government operations; however specific training for procurement professionals across departments would be valuable. He also pointed out the federal priority remains with toxic substances, and the results of the federal DSL screening exercise identified a number of pigments, dyes and inks which may be declared toxic and could impact the packaging sector. He emphasized Environment Canada's support of CCME initiatives with respect to packaging.

#### *Discussion*

One participant wondered whether the authoritative power of the Canadian Environmental Protection Act (CEPA 1999) would be used to address CEPA toxics in products or packaging in a take-back program. It was pointed out that pollution prevention (P2) initiatives currently being used are viewed as regulatory approaches, and in addition Environment Canada is reviewing a number of EPR-related options to be initiated through CEPA (such as ODS refrigerants, batteries, mercury containing products, and thermometers). One participant cautioned that when the EU put limits of certain toxics in packaging there were legacy issues with respect to heavy metals used in older long life products/packaging (such as returnable plastic crates).

One participant questioned what the free market drivers would be for PAC to change packaging. It was noted that United States initiatives play a strong role (such as the Sustainable Packaging Coalition) as do initiatives undertaken by large retailers such as Wal-Mart. It was pointed out that the CCME should review the Sustainable Packaging Coalition's vision statement and principles, since they appear to be similar to the goals of the CCME in this area. Another participant stressed that if individual brandowners had the right tools they could make

improvements to packaging design choices for their products, but often they aren't aware of tools available. For example, the U.S. has design guidelines for plastics, which are used to assess packaging for recyclability prior to putting on the market. The point was made that industry associations have an important role to play in information transfer. Similarly, there are opportunities for knowledge-sharing along the supply chain, and for governments and non-profit groups to work together developing tools to educate small and medium sized producers on this issue.

Participants wondered whether there was a role for a watchdog regarding acceptable packaging. Some participants felt that the brandowners should be responsible to initiate and fund this role. It was pointed out that in the UK they had a watchdog organization which was funded by producers but managed independently.

One participant expressed concern that the federal government has not recognized their obligations as a producer with respect to provincial stewardship programs. It was pointed out that this concern relates primarily to packaging and printed paper, while in other cases (tires, batteries, and electronics) the federal government is a consumer. A federal official noted that the federal government does not have a legal obligation to follow provincial regulations, but could consider being a voluntary steward. This issue requires further study because it would require coordination among all federal departments and agencies.

## 4. DISCUSSION AND RECOMMENDATIONS

The discussion surrounding the possible CCME outcome and role with respect to packaging took place in a two-staged process. On Day 1 there was an initial round table discussion, and these suggestions have been documented in sub-section 4.1. On Day 2, there was a more detailed discussion where participants were requested to use the input from Day 1 and develop more specific recommendations for the CCME, especially pertaining to the CCME role and potential initiatives. The results of the Day 2 discussion are presented in sub-section 4.2. Key recommendations resulting from both of these discussions are presented in sub-section 4.3.

### 4.1 POSSIBLE CCME OUTCOMES AND ROLE: INITIAL DISCUSSION

At the end of Day 1 of the workshop, participants had a round table discussion on the potential CCME role in relation to packaging. Focus questions were developed for this session as follows:

- What outcome should CCME pursue with respect to packaging?
- What initiatives should CCME undertake to help achieve this packaging outcome (initial discussion of opportunities and most useful actions under a new packaging agenda)?

#### *Q1: Outcome*

The proposed outcome developed at previous workshop was highlighted for discussion purposes:

*“Producers are responsible for reduced packaging and increased reuse, recyclability, and recycled content of packaging, while generating a positive net environmental impact.”*

Some participants suggested that the CCME endorse this proposed outcome from the last workshop since it was already supported by a multi-stakeholder forum. Alternative language for a possible outcome was suggested by another participant as follows: “...systems for delivering goods to customers that are resource neutral, economically efficient, customer-sensitive, and environmentally beneficial...” Other participants noted the importance for CCME to be more specific with the desired outcome, and identify whether it was reduced packaging or increased recyclability, and to consider which of these is truly DfE. One stakeholder suggested that the CCME consider the most appropriate role for CCME in this vision, and whether it is broader than just packaging.

#### *Q2: Role/Initiatives*

The key ideas for the potential CCME role in achieving this outcome, or other proposed outcomes that emerged from this round table discussion, are presented in Exhibit 1. The listed ideas were offered by individual participants or groups of participants, and do not necessarily represent consensus of the group.

## **Exhibit 1**

### **Possible CCME Role / Initiatives**

#### **Leadership**

- Develop a vision statement (for example, define sustainable packaging), based on information collected to understand the problem, then develop a plan of action
- Develop guiding principles; for example: CCME EPR principles developed at 1<sup>st</sup> workshop apply to packaging and therefore there is support for producer funded models
- Lead through example: focus on implementation and ensure Ministers act as champions for green purchasing
- Encourage harmonization (definitions/standards/targets/guidance/program design) across country.

#### **National Standards / Targets**

- Develop national standards for sustainable packaging (whether the packaging is required at all, and if so define other parameters such as: recycled content, non-toxic, non-PVC, multi-material limitations, demonstrated to be refillable, recyclable, or compostable, etc.)
- Define national timelines and targets (based on weight or % recovery, how is volume addressed)
- Establish minimum threshold of material recycled in waste stream (increased over time).

#### **Guidance**

- Develop a scorecard tool for large retailers to use when evaluating packaging, identify the 3 – 5 most critical environmental issues that should be included in this tool
- Explore guidance role with respect to other tools such as the US LCI materials database.
- Develop methods to use for monitoring progress (and demonstrate that minimal packaging requirements are met), to support achievement of national targets. This may include collaboration with Statistics Canada with respect to identifying sources of data.
- Develop guidance for labeling (i.e. ensure legibility for plastics numeric system, extend the system to containers other packaging types)
- Develop common definitions and categories of materials (i.e. what is packaging; recycled content) to feed into national standards.
- Act as an information clearinghouse.

#### **Research / Information**

- Collect data and disseminate information
- Establish a benchmark via national waste audit to establish the problem (i.e. national household packaging data survey; research with respect to where packaging comes from, and associated responsibilities).
- Conduct research to understand differing nuances in residential vs commercial packaging.
- Conduct a survey to gather information on the environmental footprint associated with packaging in order to identify priorities.
- Take advantage of work done by others (for example: Wal-Mart score card, U.S EPA legislation; EU Packaging and Packaging Waste Directive) to consider best practices and lessons learned.

#### **Awareness**

- Develop a mechanism to educate consumers about sustainable packaging: similar to the Energy Star (certification for best in class) or EnerGuide (breaking packaging down into categories).
- Educate the public.

## 4.2 POSSIBLE CCME OUTCOMES AND ROLE: DETAILED DISCUSSION

On Day 2 of the workshop, participants were asked to reflect on the ideas from Day 1 and identify more specific recommendations for CCME. The main discussion points are presented in this section, followed by the key recommendations in section 4.3.

### *Discussion*

One participant questioned whether the EPRTG has moved forward on any of the outcomes identified from the national EPR workshop which took place in September 2006. Members of the EPRTG responded that they have moved forward on the activities related specifically to EPR (but not packaging per se) such as: developing a list of priority EPR products; developing an assessment tool for establishing EPR programs; reporting on performance of EPR programs; and assessing methods to address free-riders in EPR programs. At the CCME Ministers' meeting in Yellowknife in October, the Ontario Minister of Environment announced that she wanted to tackle packaging as a primary issue, so the EPRTG initiated a national workshop on packaging as a first step in getting stakeholder feedback on the potential CCME role on this issue. It was noted that the objective of this workshop is to take some of the ideas on packaging and progress the thinking into concrete actions / leveraged activities.

There was some discussion regarding the need to identify the desired CCME outcome with respect to packaging as a first step, then decide how to achieve that goal through a plan of action. A suggestion was made that CCME should get a clear sense from Ministers on their policy objectives to “build the foundation” for this initiative. For example, the point was made that if the objective is to have harmonized systems across Canada, then that would give CCME a focus area. There is no common policy across Canada on standards for recycled products, and developing such a standard would be an important activity to support a move towards harmonization. Others pointed out that the Ministers do not have specific policy objectives in mind and are looking for stakeholder feedback to establish them.

There was extensive discussion regarding possible roles within the mandate of CCME. Participants acknowledged that national definitions (i.e. what is sustainable packaging), a vision, and standards are useful first priorities, while secondary priorities could include developing specific targets, guidance on measuring targets (i.e. whether they would be based on weight or recycled content), and whether imported packaging would be addressed. Participants suggested that the EPRTG review the standards outlined in the EU Directive on packaging as a starting point. One participant pointed out that political priorities vary across provinces so generic tools such as a score card would be more useful than prescriptive measures (since it is unlikely that provinces would be willing to change their regulatory programs). Others clarified that harmonization initiatives are likely to include things like standards, definitions or targets since the CCME does not have regulatory power. Stakeholders pointed out that there may be value in having an advisory committee to support the EPRTG in focusing their activities or identifying priorities, which should include both industry and municipalities. Industry participants reminded the EPRTG of the importance of a level playing field.

There was considerable discussion with respect to making this task manageable. One participant pointed out that the approach British Columbia has taken is to break the universe of packaging issues down and address small pieces of it in a phased approach.

### 4.3 RECOMMENDATIONS TO CCME EPRTG

Three main recommendations emerged as a result of the workshop discussion. These recommendations, listed below in Exhibit 2, were presented in draft form to participants and accepted by participants as a consensus output from the workshop.

#### Exhibit 2 CCME Recommendations

*Key Recommendations to CCME EPRTG:*

1. *CCME should take a leadership/facilitation role in encouraging sustainable packaging in Canada.*
2. *CCME should develop and lead a national process for the development of a long-term strategy to achieve sustainable packaging, including stakeholder based development of a vision, definitions, standards, and (perhaps later) targets and tools. The process should consider and respect differences that exist in existing programs, and should only proceed if provinces commit to the process so that it will make a difference.*
3. *CCME should immediately initiate work in selected “Quick Win” areas (short term actions) as outlined below.*

Further detail on each of these three recommendations is outlined below.

*Recommendation 1: CCME should take a leadership/facilitation role in encouraging sustainable packaging in Canada.*

- Participants were in strong agreement that CCME is the only existing process available to establish commonality among the provinces / territories.
- Industry participants noted their support for a CCME leadership role and national approach with respect to packaging, particularly with respect to potential requirements for packaging materials or design, to avoid a multiplicity of requirements and to ensure a level playing field.

*Recommendation 2: Lead a National Process for a Long-Term Strategy*

CCME should develop and lead a national process for the development of a long-term strategy to achieve sustainable packaging, including stakeholder based development of a vision, definitions, standards, and (perhaps later) targets and tools. The process should consider and respect differences that exist in existing programs, and should only proceed if provinces commit to the process so that it will make a difference. This national process should include the following:

- Vision:
  - Develop vision statement with guiding principles (such as identification of priorities with respect to packaging issues).

- Develop definitions:
  - Commonality for definitions was highlighted as important at a national level. Some provinces have consistent definitions but others might use more stringent ones.
  - Definition required: sustainable packaging (i.e. recyclability, material content, etc.).
- Long-Term Strategy:
  - EPR theme (producer responsibility).
  - Current focus on post-consumer packaging is only one small piece of puzzle; the long-term strategy should also consider other waste issues.
  - Some participants suggested that the CCME should work on and consider stakeholder involvement such as an industry advisory council as an ongoing forum.
  - Some participants suggested that the CCME should work on and consider an ombudsman or watch dog role to identify un-sustainable packaging.
  - This long-term strategy should be multi-year and will require substantial resources.
- Develop standards:
  - Option 1: Advisory (e.g. standards via Ecologo or other).
  - Option 2: Mandatory (e.g. CWS).
- Develop tools/targets to support ongoing initiatives:
  - Establish national diversion or other types of targets (in a similar fashion to the NAPP diversion targets) to gain momentum and focus the strategy.
  - Develop tools to measure life-cycle of packaging, including end-of –life costs or score card for suppliers.
  - Develop a performance measurement framework to support achievement of targets.

*Recommendation 3: CCME should immediately initiate work in selected “Quick Win” areas (short term actions) as outlined below.*

The candidate “quick wins” described below were anticipated to be first steps to be taken this year, building towards the development and implementation of a long-term strategy.

- Develop a vision: Using a multi-stakeholder process, formalize the adoption of the CCME outcome for packaging from the 2006 EPR Workshop (review other relevant principles/visions as necessary in order to finalize this vision).
- Initiate work towards the development of definitions, targets or standards: Review the European Packaging Directive and the Sustainable Packaging Coalition as a first step. Examine the potential role of advisory standards (e.g. material-specific standards via Ecologo or other rating scheme).
- Examine the applicability of tools to support standards: Examine the applicability of life-cycle tools, inventories, or other measurement standards, to support CCME targets or standards developed for this initiative.
- Initiate work required for the development of a long-term strategy: Review what is currently going on across the country with respect to packaging to establish a benchmark and identify gaps and priorities. Develop an action plan to identify EPRTG priorities and how decisions will fit into the eventual development of a long-term strategy. This includes exploring options for a possible ombudsman role.

#### **4.4 CLOSING REMARKS**

Mr. Don Jardine, Chair of the EPRTG, gave closing remarks. He thanked all participants for their interest and contributions to the workshop, noting that their insight was most valuable to the EPRTG as they contemplate next steps in this evolving and important agenda.



## **Appendix A: List of Participants**

<b>Organization</b>	<b>Name</b>
<b>Speakers</b>	
Ontario Ministry of Environment	Honourable Laurel Broten
Ontario Ministry of Environment	Paavo Kivisto
CM Consulting	Clarissa Morawski
Environment Canada	Duncan Bury
INCPEN - Industry Council for Packaging & the Environment	David Eggleston
Packaging Association of Canada	James Downham
PRO EUROPE - Packaging Recovery Organization Europe	Joachim Quoden
Statistics Canada	John Marshall
CSR: Corporations Sharing Responsibility	Gordon Day
Terrachoice Environmental Marketing	Scott McDougall
Wal-Mart Canada	Jim Thompson
<b>Non-Government Organizations</b>	
Canadian Institute for Environmental Law and Policy	Grant Caven
Citizens Network on Waste Management	John Jackson
<b>Waste Management Organizations and Councils</b>	
Association of Municipal Recycling Coordinators	Vivian De Giovanni
Recycling Council of Alberta	Christina Seidel
Recycling Council of British Columbia	Brock Macdonald
Recycling Council of Ontario	Joanne St. Godard
Recyc-Québec	Martin Comeau
Saskatchewan Waste Reduction Council	Joanne Fedyk
Waste Diversion Ontario	Glenda Gies
<b>Industry</b>	
Canadian Council of Grocery Distributors	Kim Mckinnon
Canadian Plastics Industry Association	Cathy Cirko
Corporations Supporting Recycling	Damien Bassett
Electronics Product Stewardship Canada	Jay Illingworth
Food and Consumer Products of Canada	Catherine Abel
Hewlett Packard	Courtney Mclaughlin
Hewlett Packard	Frances Edmonds
Metro AMP Dominion	Steve Cooper
Owens-Illinois	Usman Valiante
Paper and Paperboard Packaging Environment Council	John Mullinder
Refreshments Canada	Anthony van Heyningen
Retail Council of Canada	Rachel Kagan
Sobeys Inc.	Mario Bellizzi
Wal-Mart Canada	Andrew Horsman
George Weston Limited/Loblaw Companies Limited	Walter Kraus
<b>Municipalities</b>	
County of Peterborough	Sherry Arcaro
Greater Vancouver Regional District	Monica Kosmak
Halifax Regional Municipality	Laurie Lewis
Region of Essex-Windsor	Todd Pepper

<b>Organization</b>	<b>Name</b>
Region of York	Mike Birett
Region of Westmorland-Albert, New Brunswick	Bill Slater
<b>CCME Extended Producer Responsibility Task Group</b>	
Alberta Environment	Christine Della Costa
British Columbia Ministry of Environment	David Lawes
Environment Canada	Duncan Bury
Green Manitoba	Jim Ferguson
New Brunswick Department of Environment	Frank LeBlanc
Newfoundland & Labrador Dept. of Environment & Conservation	Derrick Maddocks
Nova Scotia Dept. of Environment and Labour	Bob Kenney
Ontario Ministry of the Environment	Lisa Mychajluk
Prince Edward Island Dept. of Environment, Energy and Forestry	Don Jardine
Saskatchewan Department of Environment	Kim Yee
CCME Secretariat	Anjanette Zielinski
<b>Government</b>	
Environment Canada	Dennis Jackson
Ontario Ministry of the Environment	Adam Ciulini
Ontario Ministry of the Environment	John Vidan
Ontario Ministry of the Environment	Neera Shukla
Ontario Ministry of the Environment	Michelle Grinstein
PWGSC Ontario Office - Greening Government Services Branch	Maria McGibbon
PWGSC Ontario Office- Acquisitions and Contracting Branch	Patti Darling
<b>Facilitator</b>	
Marbek Resource Consultants	George Matheson
Marbek Resource Consultants	Laurie Giroux



## **Appendix B: Agenda**

## CCME National Packaging Workshop

Champagne West Ballroom, Novotel Toronto Centre

### AGENDA

DAY ONE - Monday, March 12, 2007

<b>Workshop Objective:</b> Engage a cross-section of interested groups and individuals in discussion of key packaging issues.	
<b>Desired Outcome:</b> Identify potential CCME contributions, initiatives, and outcomes on packaging.	
<b>Continental Breakfast</b>	8:00 – 8:30
<b>Opening &amp; Welcoming Remarks</b> Paavo Kivisto, Deputy Minister, Ontario Ministry of the Environment	8:30 – 8:45
<b>Introductions</b> Don Jardine, Chair, CCME Extended Producer Responsibility Task Group George Matheson, Workshop Facilitator, Marbek Resource Consultants	8:45 – 9:00
<b>Session # 1: Sustainable Packaging</b>  Speaker 1: David Eggleston – INCPEN (United Kingdom)  <i>The Industry Council for Packaging and the Environment (INCPEN) is a UK-based non-profit organisation, established in 1974, dedicated to analysing the environmental and social effects of packaging, creating a better understanding of the role of packaging, and minimising the environmental impact of packaging. INCPEN draws together an influential group of companies with a common interest in packaging and sustainability.</i>  <i>Mr. Eggleston will discuss ‘what is sustainable packaging?’, consumer perceptions on packaging and how the supply chain can help consumers make sustainable packaging choices.</i>  Speaker 2: Jim Thompson, Senior Vice-President of Merchandising, Wal-mart Canada  <i>Jim Thompson will discuss how sustainable packaging influences purchasing decisions. Is consumer demand for sustainable packaging on the rise? What can retailers / brand owners do to increase the demand for sustainable packaging?</i>  Facilitated Discussion	9:00 – 10:30
<b>Break</b>	10:30 – 10:45
<b>Key Note Presentation</b>  The Honourable Laurel Broten, Minister of the Environment, Government of Ontario	10:45 – 11:00

<p><b>Session # 2: Policy Directions</b></p> <p>Speaker 1: Joachim Quoden, Managing Director, PRO EUROPE (Germany)</p> <p><i>PRO EUROPE brings together nearly all national collection and recovery organizations founded and run by and on behalf of fillers and retailers throughout Europe, and helps national recovery organizations in Europe to offer the best possible service for the lowest sustainable costs to their client companies. Mr. Quoden will highlight industry realities related to the European legislative environment.</i></p> <p>Speaker 2: David Eggleston – INCPEN (United Kingdom)</p> <p><i>Mr. Eggleston will provide an overview of the EU's major policy measures related to packaging.</i></p> <p>Facilitated Discussion</p>	11:00 – 12:00
<p><b>Lunch</b></p>	12:00 – 1:00
<p><b>Session #3: Packaging Stewardship Funding Models</b></p> <p><i>The responsibility for funding packaging programs varies, with some programs requiring 100% funding by industry stewards, while others split cost between industry stewards and municipalities (i.e., taxpayers). How do these varied approaches influence and impact the success of packaging EPR programs? What are the benefits and challenges of each approach?</i></p> <p>Speaker 1: Producer Responsibility – Clarissa Morawski, Principal, CM Consulting</p> <p><i>Ms. Morawski will discuss the producer responsibility approach, where producers alone participate and fund stewardship programs.</i></p> <p>Speaker 2: Shared Responsibility – Gordon Day, Director, Membership Services, CSR: Corporations Sharing Responsibility</p> <p><i>Mr. Day will discuss the shared responsibility approach, where producers only partially fund stewardship programs (e.g. Blue Box program, where municipalities pay 50% of the cost).</i></p> <p>Facilitated Discussion</p>	1:00 – 2:00
<p><b>Session #4: Green Procurement and Packaging</b></p> <p>Speaker: Scott MacDougall, President and CEO of TerraChoice Environmental</p> <p><i>How are packaging factors being taken into consideration in green procurement initiatives in Canada? How can CCME influence these efforts to ensure governments' collective buying power can be used to drive better packaging decisions and to influence the practices of suppliers?</i></p> <p><i>TerraChoice Environmental is the operator of Environment Canada's Environmental Choice Program, and a number of other labelling initiatives, all designed to support and encourage green procurement.</i></p> <p>Facilitated Discussion</p>	2:00 – 2:30
<p><b>Break</b></p>	2:30 – 2:45
<p><b>Session #5: Measuring Progress</b></p> <p>Speaker: John Marshall, Manager, Households and the Environment Survey, Statistics</p>	2:45 – 3:15

<p>Canada</p> <p><i>Demonstrating results under a new packaging agenda will require establishing a system for measuring progress. What options exist?</i></p> <p>Facilitated Discussion</p>	
<p><b>Roundtable Discussion</b></p> <p><i>Participants have an opportunity to further discuss speaker presentations and preliminary thoughts on potential CCME outcomes and initiatives.</i></p> <p>Facilitated Discussion</p>	3:15 – 4:15
<p><b>Wrap-Up</b></p>	4:15 – 4:30

**DAY TWO - Tuesday, March 13, 2007**

<p><b><i>Continental Breakfast</i></b></p>	8:00 – 8:30
<p><b>Session #6: Program Harmonization and the Federal Role</b></p> <p>Speaker 1: James D. Downham, President and CEO, Packaging Association of Canada</p> <p><i>Packaging policies and programs across Canada vary from province to province. What is the degree of program commonality that is desirable? Why does industry want to see program harmonization? What are the opportunities and challenges in pursuing an integrated approach?</i></p> <p>Speaker 2: Duncan Bury, Environment Canada</p> <p><i>What is the appropriate federal government role under a new Canada-wide packaging agenda? What are the technical, economic, trade, legislative or other opportunities available to the federal government to assist in developing a harmonized Canada-wide approach to reduce excess packaging?</i></p> <p>Facilitated Discussion</p>	8:30 – 10:15
<p><b><i>Break</i></b></p>	10:15 – 10:30
<p><b>Review of Day 1 Roundtable Discussion</b></p>	10:30 – 11:00
<p><b>Quick Wins and Priorities: Participant Perspectives</b></p> <p><i>Session intended to garner participant perspectives on the opportunities and most useful action(s) for CCME under a new packaging agenda.</i></p> <p>Facilitated Discussion</p>	11:00 – 11:45
<p><b>Wrap-Up</b></p>	11:45-12:00
<p><b>Lunch</b></p>	12:00 – 1:00