

GUIDING PRINCIPLES

for packaging

STEWARDSHIP



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PREAMBLE

Packaging has developed into a sophisticated medium which allows manufacturers to deliver their products to consumers, often over great distances, with a minimum of damage, spoilage or deterioration. It provides clear information regarding the products it contains, delivers appropriate sales messages and provides the consumer with convenience and the highest degree of safety.

Packaging stewardship is a concept by which industry, governments, and consumers assume a greater responsibility for ensuring that the manufacture, use, reuse, recycling, and disposal of packaging has a minimum impact on the environment. This includes prime responsibility by industry to design packaging according to the 3Rs principles, take steps to divert packaging from disposal, actively use recovered materials, and ensure packaging is properly handled if it must be disposed of. Governments have a responsibility to promote packaging stewardship and to encourage the widespread recognition and adoption of the principles as outlined. Consumers have a responsibility to make appropriate packaging choices when purchasing products and, where facilities exist, to divert packaging from disposal.

In addressing this issue, it must be recognized that packaging is but one component of the municipal solid waste stream, and that any packaging stewardship model should operate within the context of efficient recovery systems for all recyclable materials, whether or not their previous use was for packaging. The ultimate goal is not to have just packaging stewardship, but product stewardship as well.



GUIDING PRINCIPLES FOR PACKAGING STEWARDSHIP

1. Packaging stewardship initiatives should ensure that packaging has a minimal effect on the environment.

The environmental impacts of packaging extend beyond the effect of its disposal; resources and energy are consumed and pollutants are released during the production and transportation of packaging. Stewardship includes environmental profiling and consideration of life cycle impacts of packaging types, and research and development of new packaging methods and products which have minimal effects on the environment.

2. Packaging stewardship initiatives should recognize and promote the hierarchy of source reduction, reuse, and recycling, in support of general resource conservation, unless in specific cases environmental interests are proven to be better served by a change in the hierarchy.

In general, packaging stewardship systems should give priority to source reduction, as well as encourage reuse and recycling. Where payment of fees is a component of a packaging stewardship scheme, fees should be highest for packaging that is not being recycled or reused.

3. In keeping with a mutual goal to reduce packaging waste, consumers, industry and governments share responsibility for the environmental impacts of packaging waste and for making packaging stewardship programs viable in Canada.

Consumers should support the concept of user pay (rather than 'taxpayer pay'), make informed choices when purchasing packaged products, and handle reusables and recyclables in the appropriate manner to avoid contamination.

Industry should seek ways to reduce, reuse and recycle packaging, starting with adherence to the Canadian Code of Preferred Packaging Practices. Industry should also assist municipal reuse and recycling programs in order to drive the stewardship concept, support the concept of internalizing its costs (as outlined in principle 8), and strive for accurate reporting of packaging recovery, recycling, and disposal.

Governments should ensure equity and consistency in setting the policy and/or regulatory framework as needed to ensure the success of packaging stewardship, and monitor its implementation. This would include setting the rules for monitoring and reporting on the 3Rs, and supporting the concept of true cost accounting.

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4. All stakeholders should be involved and responsible in developing and implementing stewardship programs.

Input from all sectors is required in the development of any stewardship program. This responsibility must be demonstrated through transparency of the process to the public so that all parties may be held accountable. Financial responsibility also involves the authority to manage the direction of any stewardship program.

5. Packaging stewardship initiatives should be comprehensive and apply to all packaging used in Canada.

Stewardship of packaging encompasses consumer, transport, and retail display packaging, and would equally apply to imports. Stewardship programs may require a phased approach to include all these packaging types in an efficient manner.

Wherever possible, packaging stewardship programs should include other non-packaging materials with the objective of establishing more efficient, cost-effective and environmentally beneficial solid waste management systems.

6. Packaging stewardship should be based on the establishment and maintenance of programs that are inclusive and fair:

- a) between packaging and other reusable or recyclable components of the municipal solid waste stream that are managed by a stewardship program;***
- b) between imported and domestic packaging; and***
- c) between packaging material types.***

While it is generally true that good waste management practices mean good business, it may not always be to the advantage of a company to engage in waste reduction activity if the competition does not. Non-participants should face substantial financial penalties where they are not involved in an equivalent stewardship program. Any non-packaging material, such as newspaper, that participates in packaging stewardship programs should cover its share of management costs.

The objective of being fair to companies and materials can be best achieved by ensuring that all costs associated with the establishment and operation of a specific packaging stewardship initiative are allocated amongst industry participants in a manner which reflects the representative, or actual, costs associated with managing each specific type of packaging material.

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7. Packaging stewardship programs should strive for national consistency, balanced with flexibility to respond to regional differences.

A national approach to packaging stewardship promotes efficiency for the packagers and distributors of national products. National consistency should eliminate any existing trade barriers and prevent the creation of new non-tariff barriers among provinces.

At the same time, a national approach to packaging stewardship must recognize the differences in geography, waste reduction infrastructure, and population across Canada and allow flexibility in the implementation of the fundamental principles.

8. True cost pricing is essential so that stewardship internalizes the costs of managing packaging waste, and sends the correct signals to the consumers and producers of packaged goods.

True cost internalization demonstrates the principle of user pay, where environmental costs are reflected in the costs of product packaging and in the costs of consumers' waste disposal.

Monies raised as a result should be directed to cover those costs associated with management of the packaging. Internalizing recycling costs is only a first, but important step, while appropriate mechanisms to factor broader direct costs (such as those from wages or equipment), indirect costs (such as those from data processing or enforcement), internal costs (such as those from raising capital or site closure), and external costs (such as those to the environment) can be devised.

9. Packaging stewardship recovery systems should consider markets, as well as other economic and environmental factors.

Material revenues are a significant determinant of any successful recovery system. However, other factors should also be considered, including the environmental benefits of waste diversion and the avoided costs of disposal.

10. Packaging stewardship should promote market development and the use of recovered materials.

Expansion and development of effective end-markets is essential to the continuance of any stewardship program. A stewardship program should seek, through constructive investment, to maximize the utilization of post-use materials in order to establish or enhance markets for a widening range of post-use packaging materials.

Recovery systems for recyclables should be established through active cooperation between municipalities and end-markets. A coordinated regional approach based on the efficient flow of secondary materials should determine the best location for processing facilities, the possibility of pooling marketing for secondary materials, and the development of end-markets.

Care should be taken with new emerging markets that supply is developed to meet demand. Municipalities will thus be protected from any additional recovery costs until relatively stable markets are achieved.

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11. Packaging stewardship includes a responsibility for monitoring, evaluation, and education.

Monitoring and evaluation programs are essential and should include performance measures with respect to environmental, efficiency, equity, and financial objectives. These programs should be designed and administered in such a way that they impose the least possible burden on respondents.

Packaging stewards should assume a significant responsibility for public education and communication related to the use of stewardship systems, and sound waste management generally. Part of the education function should be to provide information concerning the effectiveness of stewardship programs as determined through performance monitoring, and to provide guidance as to the enhancement of program effectiveness.

12. A packaging stewardship initiative should meet its environmental objectives in the most efficient, cost-effective manner.

Payments to municipalities established through stewardship programs should encourage efficient recovery. Payments could be based on efficiency benchmarks which take into account the region (major urban, suburban, rural, etc.) and number of households.

13. Stewardship of packaging extends beyond national borders.

Used packaging should be utilized as close to the point of collection as feasible. Where used packaging is to be exported, the exporter should ascertain that the materials will be reused or recycled, and that the materials will be treated in an environmentally sound manner.

14. Every stewardship program should clearly define the scope of the program including which products are covered by the initiative, the conditions under which those products will be covered, and the extent of stewardship.



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