



## AGENDA ITEM

### "Extended Producer Responsibility" to Manage and Prevent Waste

October 24, 2019

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#### BACKGROUND

In 2014, Lacombe County adopted its Environmental Management Plan (EMP). In the EMP, Lacombe County expressed commitment to reducing impacts from waste generation and disposal. However, waste generation and disposal are driven by societal norms and behaviours, and these are exceptionally difficult to change. It is therefore favourable to explore another paradigm for waste management that incentivizes behaviour change(s).

Extended Producer Responsibility (EPR) is one such alternative waste management framework. Under current practices in Alberta, municipalities conduct and fund waste management, drawing from municipal tax revenues and/or utility premiums. Extended Producer Responsibility (EPR) systems shift financial responsibility from taxpayers and municipalities to producers and/or importers. These entities must pay premiums to a third party (whether government, non-profit, or private enterprise) to collect, sort, recycle and/or re-circulate materials, accounting for the cost of a product at its end-of-life.

The AUMA, Town of Blackfalds, City of Lacombe, City of Edmonton, City of Red Deer, City of Grande Prairie, and City of Calgary have all expressed support for EPR-based waste management.

#### ANALYSIS

Arguments supporting EPR suggest this system leads to the following outcomes:

1. Taxpayer savings
2. Increased recycling and waste diversion rates
3. Innovative products through design change

Under EPR, municipalities are no longer responsible for recycling collection and/or management. In addition, consumers in Alberta already pay for premiums imposed by EPR frameworks. Eight Canadian provinces already use EPR as a policy instrument to reduce waste, including BC, Saskatchewan, Manitoba, Ontario, Quebec, Prince Edward Island, and Nova Scotia. (Clancy, 2018) Because Alberta is part of an integrated national economy, EPR levies are

already built into local prices. British Columbia's EPR system is also anticipated to save the province a substantial amount of money; these programs are projected to save \$115 M in waste collection and landfilling costs by 2022. (Fichtner, et al., 2014) Therefore, there is strong evidence that EPR would result in savings for Alberta taxpayers.

There is also strong evidence to support the claim that EPR increases recycling rates. Economic pressures introduced by EPR effectively incentivize more comprehensive waste collection and prevention. For example, Portugal introduced EPR systems in partnership with producers and importers to improve waste management; this increased national waste collection from 25% to 100% from 1996 to 2009, with a 38% overall landfill diversion rate (11.5% recycled, 8.1% composted, and 18.4% burned as biomass). (Niza, et al., 2014) British Columbia has leveraged EPR programs to handle post-consumer waste since 1994 (Recycle BC, 2019), which saved landfills from an estimated 150 kt of garbage in 2011 alone, with an additional energy savings equivalent to 440,000 barrels of oil. (Fichtner, et al., 2014) BC's EPR-based recycling programs are also projected to avoid an additional 625 kt of landfilled materials by 2022 over status-quo recycling programs. (Fichtner, et al., 2014) Given these outcomes, there is ample evidence that EPR enhances waste collection and diversion.

EPR waste frameworks also provide incentives for producers/importers to avoid hazardous and/or difficult-to-recycle components. For example, Portugal's laws prohibit the use of some heavy metals and persistent organic pollutants from consumer electronics and vehicles. (Niza, et al., 2014) While the option to ban components is not exclusive to EPR, EPR enhances products by giving incentive to sell more easily recoverable products. A 2004 report (prepared for 3 environmental NGOs), highlights product improvements driven by EPR (Van Rossem, et al., 2004). For example, when EPR was introduced in Japan and Sweden, this led to reductions in hazardous materials and components in automotive manufacturing; EPR affected purchasing decisions throughout supply chains, as well as influencing design to maximize recoverability at product end-of-life. (Tojo, 2004)

EPR may also have unanticipated benefits. For example, China recently halted the import of "recycled" plastic waste from North American countries due to contaminated materials, which stalling recycling industries globally. (Katz, 2019) This resulted in many plastic recycling programs disappearing, or struggling to find new markets. (Katz, 2019) In contrast to these struggles, BC's chair of Recycle BC described the impact of China's recycling ban as "moderate to minimal" in the province. (Jarvis, et al., 2019) EPR systems can also therefore provide stability to otherwise unstable waste management frameworks.

In summary, there is substantial evidence to support positive claims made about EPR-based waste management frameworks.



## ALTERNATIVES

Alternative 1: That Council receives this item as information.

Alternative 2: That Council send a letter to the Hon. Jason Nixon, Minister of Environment and Parks, in support of Provincial adoption of EPR-based waste management and cc: MLA Ron Orr

## BUDGET IMPLICATIONS

This will have no budget implications, and may represent future cost savings for Lacombe County and the Lacombe Regional Waste Services Commission

## LEGISLATIVE RESPONSIBILITIES

**708.28(1)** of the Municipal Government Act reads that

- “subject to subsection (4), municipalities that have common boundaries must, within 2 years from the coming in to force of this section, create a framework with each other.

**708.29(1)(b)** dictates that a framework must identify

- (i) Which services are best provided on a municipal basis
- (ii) Which services are best provided on an intermunicipal basis, and
- (iii) Which services are best provided by third parties by agreement with the municipalities

**708.29(2)** dictates that with respect to the requirements of subsection (1)(b), each framework must address services relating to

- (c) solid waste

## PUBLIC PARTICIPATION

Lacombe County sees the value in engaging and informing the public/stakeholders through a variety of mediums as outlined in the *Policy AD(40): Public Participation Policy*. The appropriate level of engagement for each public participation opportunity is selected on a project-to-project basis. For this item, the following engagement will take place:

- *Inform*: To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions



Highlights of all County Council meetings are published on the County Website and in the County News.

## STRATEGIC PLAN

The following elements of the County's Strategic Plan are relevant to this issue:

Our Vision: "An attractive, balanced and progressive community".

Our Mission: "To build a safe and vibrant community through leadership, innovation and the development of healthy relationships".

Key Principles:

- 1) "Fair and Objective in our decisions and in how we treat individuals", and
- 2) "Accountability for our decisions and for our actions".

Key Success Measures:

- Sustainability:
  - "Current services are maintainable and provide benefits for the future, while minimizing negative impacts on the community",
- Stakeholder Satisfaction:
  - "Healthy relationships with neighbouring municipalities, communities and our citizens."
- Financial Viability:
  - "Success at working within budgets," and
  - "Taxation and fee levels"
- Process and Systems Improvements:
  - "Delegating decision making to most appropriate level"
  - "Adoption and implementation of innovative ideas and suggestions"
- Environment: A. Protect the environment
  - 2.4(A): Research waste disposal and recycling options as opportunities arise

Environmental Policy:

1) In all County decision-making we shall:

- Integrate environmental considerations into all decision-making processes
- Base all decisions on transparent and consistent policies that balance social, economic and environmental needs
- Consider both short and long term impacts in all decisions



**RECOMMENDATION**

That Council approve the following resolution:

**That Council send a letter to the Hon. Jason Nixon, Minister of Environment and Parks, in support of Provincial adoption of EPR-based waste management and provide a copy to MLA Ron Orr**

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**PREPARED BY: Ian Vander Meulen, Environmental Coordinator**

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**Tim Timmons, County Manager**

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## REFERENCES

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