

EPR for PP Model – FULL (Municipal/service provider perspective)

Producers collect, process and market residential Paper and Packaging supplied by obligated producers by subcontracting municipalities and private companies.

	Pros (Opportunities)	Cons (Risks)	Mitigate
Environment	<p>Industry gets direct message about bad packaging (Design for Environment¹ is maximized)</p> <p>Potential to expand the existing materials list</p> <p>Reduces waste disposed in landfill</p> <p>Polluter Pay principle is maximized</p>	<p>Some materials may not be collected curbside (e.g. glass, film, Styrofoam™)</p>	<p>Regulations could require industry to maintain or expand existing curbside materials</p>
Administrative	<p>Standardized curbside recycling program across the province</p> <p>Simplifies decision-making on service delivery – one decision for the province instead of multiple municipal decisions</p>	<p>Significant change-management for municipalities</p> <p>Municipality does not control the decision making/delivery of curbside recycling program</p> <p>Municipalities may face financial penalties related to renegotiating current contracts</p>	<p>Allow sufficient time for planning and implementation at the municipal level</p> <p>Education of key municipal stakeholders related to change-management issues</p> <p>Municipalities have opportunity to be service providers for industry</p> <p>The program plan/guidelines could require ongoing collaboration between industry and municipalities.</p> <p>Municipalities can choose not to sign into an agreement.</p> <p>NSE could review/evaluate the industry plan three years after implementation.</p> <p>Identify a source of revenue to set up ‘reserve fund’</p> <p>Compile collection/processing contract data – timeframe, break fees, opt-out clause</p>
Economic	<p>Industry pays 100% of eligible costs (</p> <p>Municipalities receive significantly more funding than in a shared model.</p> <p>Municipalities do not need to incur capital costs to meet standards (i.e expand Material Recycling Facility)</p> <p>Economies of scale/efficiency are maximized within education, collection, processing and marketing</p>	<p>Potential for stranded infrastructure</p> <p>Potential for job losses within municipal waste management system (may be a more centralized system)</p> <p>Taxpayer continues to share recycling costs of non-obligated materials</p>	<p>Identify a source of revenue to set up ‘reserve fund’</p> <p>Regulation could require consideration of existing infrastructure.</p> <p>Possible repurposing of human resources</p>

<p>Misc</p>	<p>Recycling costs for multi-residential buildings are included</p>	<p>Receiving and processing of Industrial, Commercial and Institutional waste and other non-obligated materials unknown</p> <p>Some municipalities will have to decide how to fund management of Industrial, Commercial and Institutional sector</p>	<p>The program plan/guidelines could address the management of Industrial, Commercial and Institutional waste and other non-obligated materials</p> <p>Regulation could require consideration of existing infrastructure</p>
--------------------	---	--	--

ⁱ **Design for Environment** is a US EPA (Environmental Protection Agency) program that employs design approaches to reduce the overall human health and environmental impact of a product where impacts are considered across life cycle such as reducing the use of virgin materials, lowering the pollution in the production stage and reducing hazardous constituents in the waste stream.

EPR for PP Model – SHARED (Municipal/service provider perspective)

Municipalities and producers share costs and decision-making to collect, process and market residential Paper and Packaging supplied by obligated producers.

	Pros (Opportunities)	Cons (Risks)	Mitigate
Environment	Materials are collected at curbside, as per status quo	<p>Industry does not get direct message about bad packaging (Design for Environment is not maximized)</p> <p>Polluter-pay principle is not maximized</p>	<p>Ensure industry is 'at the table' providing input</p> <p>Industry could be responsible for disposal cost on unmarketable items</p> <p>Higher % contribution funding from industry gets closer to Polluter Pay principle</p>
Administrative	<p>Municipalities maintain a level of control over recycling operations that is proportional to industry contribution</p> <p>Less change-management for municipalities</p>	<p>Negotiation over level-of-control will be challenging</p> <p>Negotiation over eligible costs will be challenging</p> <p>Less opportunity for standardization of programs and facilities (maintains patchwork system)</p>	<p>Define stakeholder roles and responsibilities</p> <p>Define funding formula</p> <p>Write best practices for negotiations in the guidelines</p> <p>Regulations could provide for a third party arbitrator</p> <p>Minimum standard for curbside recycling defined by the province</p>
Economic	<p>Funding provided to support municipal recycling service delivery</p> <p>Higher likelihood of maintaining recycling infrastructure</p> <p>Higher likelihood of maintaining existing MRF jobs</p>	<p>Municipalities receive significantly less funding than a full EPR model (50% - 80% of eligible costs)</p> <p>Economies of scale/efficiencies are not maximized within education, collection, processing and marketing</p> <p>Possible capital costs incurred by municipalities to meet standards</p> <p>Industry will seek to minimize % funding contribution</p> <p>Taxpayer continues to share recycling costs</p>	<p>Regulation could require municipal collaboration to achieve efficiencies</p> <p>Identify a source of revenue to set up 'reserve fund'</p> <p>Define a percentage in guidelines or regulation</p>
Misc	Industrial, Commercial and Institutional sector materials continue to be managed as status quo	Most shared model programs do not fund recycling costs for multi-residential buildings	Regulation could define multi-residential as an eligible sector