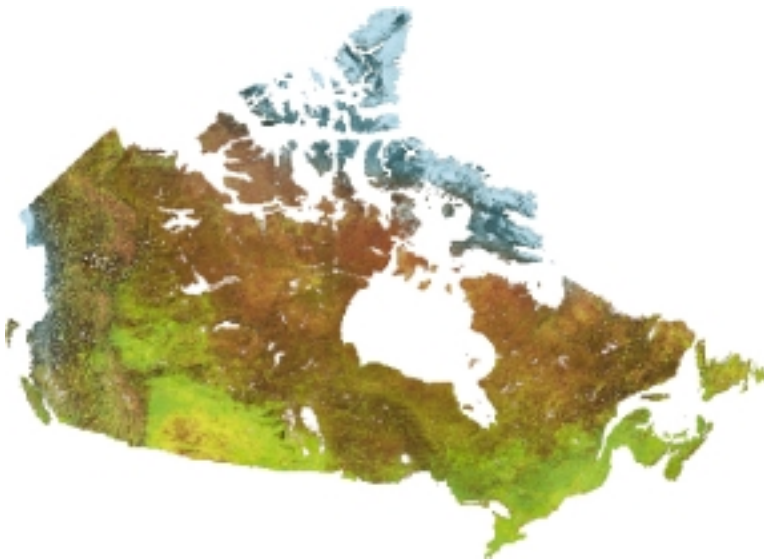


Consultations on a Canadian Resource Recovery Strategy



Summary of Vancouver/British Columbia & Yukon Consultation Held at Burnaby, BC on April 4, 2002



Natural Resources
Canada

Ressources naturelles
Canada

Canada

Consultations on a Canadian Resource Recovery Strategy

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1. Background

Natural Resources Canada (NRCan) is holding a series of consultation sessions over the spring of 2002 on the development of a Canadian resource recovery strategy (see Background Paper, Attachment I). Seven sessions are being held in Vancouver, Yellowknife, Edmonton, Toronto, Halifax, Montreal and Iqaluit to bring together representatives from industry, non-governmental organisations and all levels of government. The objectives of each of these sessions are to identify:

- Resource recovery priorities in urban and rural communities across Canada
- Resource recovery priorities in Canada's North
- Barriers to resource recovery in every region
- Potential resource recovery demonstration projects in industrial, post-consumer and institutional sectors
- Estimated levels of project funding and co-funding partners

Each of the day-long consultation sessions is structured in a similar fashion, starting with a panel presentation of major regional issues, followed by discussion in break-out groups on priorities, roles, barriers and projects.

A copy of the agenda and the list of participants are attached (Attachments II and III).

2. Summary of General Observations

Participants agreed on the importance of defining a vision to guide a Canadian resource recovery strategy. Most participants agreed that this vision should be the implementation of an integrated approach to achieve zero-waste or 100% product and the PM should adopt this as a vision statement for Canada.

Resource recovery issues are not new and neither are the solutions. Greater political will is required in order to make progress.

The policy issues that arise, and require addressing, in the design of a resource recovery strategy include:

- What commodities should society try to recover? What are the priorities?
- What is the best mix between regulatory (e.g., mandatory recycled content regulations) and voluntary approaches (e.g., industry stewardship programs)?
- What is the role of governments? Producers? Consumers?
- Is harmonization of approaches across Canada necessary or even feasible?
- What emphasis should be placed on design for the environment?

A resource recovery strategy should not be undertaken exclusively for its environmental or health benefits, as there can be significant economic advantages to resource recovery. It is important to present such a strategy in the context of sustainable development and not just as an environmental protection policy.

Increasing the efficiency with which we use our resources is becoming increasingly important. While recovering and recycling resources will help achieve this objective, policies directed at post-consumer wastes only will be insufficient and, in some cases, inappropriate. It will be necessary to consider resource efficiency at the product development stage by incorporating features that facilitate dis-assembly, recovery and recycling (“design for the environment”). In itself however, increasing material efficiency is unlikely to be enough since efficiency gains often are overwhelmed by increases in consumption. In some cases, reducing consumption will be necessary.

The barriers to increasing resource recovery are not so much technical as they are economic. In rural areas, inadequate economies of scale and large distance to markets hamper resource recovery. Where these barriers do not exist, low market prices often discourage resource recovery. How to create markets, or how to drive them after they have been created, was the subject of much discussion.

It was pointed out that information on program experience in the field of resource recovery is often difficult to find. As a result, we are losing opportunities to learn from past experience when we design new programs. It is important that we assess systematically the impact of the different approaches that have been tried so that we know which ones work best.

Participants felt strongly that, while governments may have to impose user fees or deposit-refund systems to promote resource recovery, they should not use these as a “revenue-grab”: revenues raised for resource recovery should be spent for related purposes.

Participants identified the critical success factors to resource recovery as:

- Levelling the playing field between recycled and virgin materials.
- Application of the user pay principle (full-cost pricing).
- An incentive structure that favours rewards rather than sanctions (“big carrot and small stick”).
- Governments at all levels can lead by example through their purchasing procedures.

The government of British Columbia manages or sponsors several recycling programs. These include used paints, pharmaceuticals, beverage containers, automobile tires and car batteries. Such programs provide valuable lessons about how to design effective strategies for resource recovery.¹

¹ A draft BC government discussion paper on Product Stewardship was discussed in some detail, and is attached for reference (Attachment IV). It does not represent government policy.

3. Priorities

- Resource recovery priorities should be set in function of avoided environmental impact, largest volumes diverted and highest financial returns. In the Greater Vancouver Regional District, the priorities are electronic equipment, organics, wood wastes and paper. In the Regional District of Kootenay Boundary, they include hard plastics and waste insulation.
- Canada should “mine” the storehouse of experience it has already accumulated on resource recovery. In order to implement new strategies, we need to understand better what approaches have worked in the past and why, what markets exist, what technologies are available, etc. The Recycling Council of British Columbia (RCBC) would be prepared to lead such an effort at the provincial level as it already has some of this knowledge.
- Canada should try to develop a consistent set of rules across the country. The proliferation of provincial approaches increases costs for product stewards and also makes it more difficult to convey a common public message across the country.
- It is important to highlight the business case for enhanced resource recovery and bring to light the many unexploited opportunities that exist. This could involve government-sponsored awareness programs tailored to different industry sectors that would illustrate the bottom-line impacts of activities such as pollution prevention. It can also involve helping to create networks to facilitate information exchange and creating and distributing tools for business (e.g., the US EPA has an electronic P2 planning tool that can be downloaded from its web-site).
- Senior political leaders at all government levels need to speak strongly in support of resource recovery and articulate a national goal to guide collective action. Such a vision could be as ambitious as “zero-waste” (a goal already adopted in Nanaimo, Cowichan Valley and Kootenay). Governments should also lead by example. They could use their procurement policies to promote greater resource recovery. For example:
 - Product Stewardship
 - Industry/local government “Partnerships” are key
 - User pay fees to influence reduction/ownership. (This should not be a tax but must be policed.)
 - Source separation as well as quantity of garbage change needs to be user pay basis
 - Disposal fee on Product price
 - Advance disposal fee is desirable
 - Tax advantage for recycling process (currently a disincentive)
 - Waste prevention/reduction/avoidance

Summary of Priorities

- Projects with greatest positive impact
- Greater understanding of past experience
- Consistent rules across the country
- Highlighting the business case
- Governments leading by example

4. Barriers

- In Canada, geography (long distances) and demography (small, scattered population) are the two great barriers to resource recovery as they increase costs.
- There is a dearth of baseline of information for policy-making at all levels:
 - what are the various materials streams?
 - Who are the producers?
 - Where are the consumers?
 - What programs exist?
 - How successful are they?
 - What are the government regulations?

NRCan could play a useful role in developing and making available such a baseline at the national level.

- One of the barriers to increased resource recovery is that the supply of recovered materials (e.g., waste paper) is often independent of market conditions. As a result, when demand drops, the market can become glutted, depressing prices. Producers of virgin materials (e.g., wood pulp), on the other hand, can reduce production as market demand drops, thereby attenuating swings in prices.
- Another barrier to increasing the role of resource recovery is that it is not explicitly tied to product design. Designing products to facilitate resource recovery (e.g., reducing the number of plastics used in a car; designing for dis-assembly) would increase the opportunities and improve the economics of resource recovery.
- In an open economy, such as Canada's, it is difficult to impose lifecycle costs on products, even where these would be justified from a sustainable development perspective. Markets are regional and, sometimes, even global. Local governments have very little control over them.
- Our economic system includes incentives that militate, sometimes unwittingly, against resource recovery. These include various incentives for resource extraction (e.g., depletion allowances) and resource use (e.g., declining block rate structures). While the impact of

these incentives can sometimes be difficult to gauge, they create disincentives to greater resource recovery where they exist.

- While participants agreed that it is important to harness market forces to promote resource recovery, changing price signals will not be a universal solution.
- Managing tipping fees in a competitive environment is difficult.
- Other barriers include:
 - Lack of public understanding
 - The economics of some resource recovery projects (lead recycling is not very profitable)
 - The shorter life of some recycled products
 - Government regulations concerning hazardous materials
 - Development of cost effective technologies

Summary of Key Barriers
<ul style="list-style-type: none">➤ Dearth of baseline information➤ Poor link between supply of recovered materials and market conditions➤ Insufficient linkage between product design and resource recovery➤ Little control by local governments➤ Perverse incentives

5. Roles

- All parties have roles to play in enhancing resource recovery:
 - Governments should create a supportive policy framework (including necessary incentives), raise public awareness and lead through example.
 - Producers should include resource recovery in the design of their products and, in some cases, continue to be responsible for them even after they have sold them (“extended producer responsibility”).
 - Consumers should consume responsibly by purchasing products that include recovered materials and supporting resource recovery efforts.
- Governments cannot increase resource recovery rates entirely on their own, as they do not control what is placed in the waste stream. A difficult challenge is how to mobilize all the relevant actors (e.g., product designers, manufacturers, distributors, transportation companies, recycling companies) in an integrated strategy. One step could be having governments at all levels (municipal, provincial and federal) coordinating their procurement policies to support resource recovery.

- Governments should be more active in using moral suasion and a mix of incentives with large producers.
- The \$250 million Green Municipal Funds are potential funding partners.
- NGO/Industry partnership i.e. joint proposals to government.
 - New policy incentives/strategies are required.
 - 'Partners' need to participate according to their sphere of influence.
- Industry – Product Stewardship.
 - e.g., packaging was discussed.
 - All manufacturer products should be covered with nobody opting out.
 - Establish level playing field, e.g. producer/user (this is role of government).
 - Big carrot/little stick preferred over current big stick little carrot.
 - Post-consumer products are purchased, i.e. people buy batteries not lead from producers.
 - Role of consumer is very important (education).

6. Projects

Participants identified a variety of possible resource recovery projects in the region. These are presented in Table 6-1 below under the headings of post-consumer, institutional and industrial projects; projects that could potentially address more than one category are grouped together as “cross-cutting” projects. Some projects were more fully developed than others. All project ideas have been reported below. Where details were available, they have been included.

Table 6-1: Potential Resource Recovery Projects

Project	Sponsor	Impact	Cost	Potential Partners
CROSS-CUTTING				
Build and operate a regional in-vessel composting facility to handle all organic wastes from residences, institutions and the commercial sector. (A project sheet has been submitted.)	Regional District of Kootenay Boundary	<ul style="list-style-type: none"> • Divert 20-30% of the municipal waste stream from landfill • Convert waste into saleable soil amendment product • Reduction in GHG and landfill leachate production 	\$375,000 (estimated)	Regional District of Central Kootenay, Celgar Pulp Company, Teck Cominco Ltd.
The development of specifications for various product flows to enhance their marketability				
Specific awareness-raising programs should be developed for different audiences (e.g., by tailoring, and where necessary translating, messages to different groups of consumers; by setting out the business case for SMEs). For some audiences, awareness-raising will have to include training also. Such programs should provide opportunities for feedback and interaction. While it would be appropriate for the federal government to establish national objectives, different regions of the country should have the possibility of adapting these objectives to their needs. These programs should promote the vision of “zero-waste” and also target specific products.	Federal, Provincial and Municipal governments.			

Project	Sponsor	Impact	Cost	Potential Partners
Create a centre of excellence in resource recovery to act as national information-broker and manage a "Baseline Database" for waste identification, recycling and resource activities.	A group in Regina is interested in possibly becoming this centre			
Develop a publicly-accessible national database of regulations, programs and other initiatives on resource recovery	Federal Government			
Development of near-neutral de-inking technology. Develop alternative to de-inking in alkaline environment. Laboratory trials at Paprican followed by prolonged mill trial at Canadian de-inking plant. (Details from project sheet submitted post-April 4 are included herein.)	Paprican	<ul style="list-style-type: none"> • Increased yield of paper. • Reduced use of reagents. • Reduce energy consumption. • Substitute virgin fibre with recycled fibre. 	<p>\$450,000 (over two years).</p> <p>Industry partners would cover the cost of the laboratory work (\$150,000/year).</p>	Bowater Canadian Forest Products Inc., Abitibi-Consolidated Inc., and Kruger Inc.
Reduction and Recovery of De-inking Rejects. Development of new chemistry and technology for recovery of valuable components from de-inking rejects for reuse in papermaking. Laboratory work at Paprican and mill trial at a Canadian de-inking plant. (Details from project sheet submitted post-April 4 are included herein.)	Paprican	<ul style="list-style-type: none"> • Reduce de-inking reject wastes sent to landfill. • Recover fibre from waste to reuse in papermaking. • Applicable to urban and rural recycling plants across Canada. 	<p>\$250,000 (over two years).</p> <p>Industry partners would cover the cost of the laboratory work (\$150,000/year).</p>	Bowater Canadian Forest Products Inc., Abitibi-Consolidated Inc., and Kruger Inc.

Project	Sponsor	Impact	Cost	Potential Partners
Recycling of milk cartons and waxed paper. Longer-term technology development to identify best repulping conditions for detachment of various types of wax from fibre surface. Laboratory work to rank the recyclability of various packaging additives in use today. Pilot-scale work to de-ink and de-wax coated boxes and polyethylene-coated cartons. Mill trials in Canadian plant. (Above details have been abstracted from project sheet received after the April 4 consultation.)	Paprican	<ul style="list-style-type: none"> • Reduce land filling of wax-coated boxes (including milk cartons) • Recover high quality fibre 	<p>\$525,000 over three years (\$175,000/year).</p> <p>Industry partners would cover the cost of the laboratory research work (about \$125,000 per year) but not the pilot plant & mill studies.</p>	Kruger Inc., and Domtar
Recycle CRT (a process) Glass at Teck Cominco	Tech Cominco			
Paint Tin recycling study – material separation, identifying issues.				
Regrading dimension lumber – deconstruction (i.e. English to metric)				
Develop/frame Zero Waste policy				
Multifaceted: education, technology				
POST-CONSUMER				
Set up the Nelson Sustainable Technologies Eco-Industrial Park where a cluster of recyclers, reusers, remanufacturers, retail businesses and composters would compete for items in the discard stream and cooperate in the use of machinery and technology on the site	Zero Waste Recycling			
Ban the land filling of computer monitors in order to encourage the smelting of tubes.				The Recycling Council of British Columbia (RCBC) would like to participate.
Cogeneration of power and thermal energy from wood waste (primarily demolition, land clearing and	Greenbelt Renewable Energy Inc. (will	<ul style="list-style-type: none"> • Reduce landfilling of wood waste 	\$35 Million (one year to arrange fuel supplies; two	Public funding support is sought for fuel studies and other pre-feasibility

Project	Sponsor	Impact	Cost	Potential Partners
construction (DLC) w astes). (A project sheet w as submitted.)	build, ow n and operate facility)	<ul style="list-style-type: none"> • Recover energy from waste 	more years to build/commission.)	studies.
INSTITUTIONAL				
Establishment of business and community resource centres to provide both information and training to interested parties.	Governments	<ul style="list-style-type: none"> • 		
INDUSTRIAL				
Resource recovery “parks” and eco-industrial netw orking. 12 to 15 such projects have already been evaluated in B.C.		<ul style="list-style-type: none"> • 		
Flue gas desulphurisation (FGD)	Gypsum manuf. / Teck Cominco	<ul style="list-style-type: none"> • 		
Production of ethanol and natural lignin from w ood residues such as saw dust and shavings. Phase I w ill cover development of process technology. In Phase II, bioconversion facilities w ill be developed and constructed. International licensing of the technology and process w ill also be undertaken. (A project sheet w as submitted.)	Lignol Innovations Corp.	<ul style="list-style-type: none"> • Convert w ood waste into useful products (including fuel ethanol, fats and resins for a variety of applications). • Reduce w aste 	?	

Attachment I

**CONSULTATIONS ON
A CANADIAN RESOURCE RECOVERY STRATEGY**

- A Background Paper -

April 12, 2002

1. Introduction

Resource recovery seeks to recover materials and energy at the end of product life in an economic, social and environmentally sustainable manner. Natural Resources Canada (NRCan) wishes to identify potential demonstration resource recovery projects that are reflective of Canada's unique circumstances. These projects will form the basis of a Canadian Resource Recovery Strategy.

NRCan is undertaking a consultative process with all interested partners to solicit their views and ideas in a series of discussion fora to identify resource recovery priorities and recommend economic and environmentally sustainable demonstration projects for co-funding. Your input to this process is being sought.

NRCan is targeting to identify projects, funding partners and levels that can be incorporated in a resource recovery strategy that reflects the needs of all regions across Canada. From these consultations a business case will be developed and presented to federal senior management in the fall of 2002.

2. The Process

Consultations are planned during April and May in the following locations:

- Vancouver, B.C. covering B.C. and the Yukon
- Edmonton, Alberta covering Alberta, Saskatchewan and Manitoba
- Yellowknife, N.W.T. covering the North West Territories
- Toronto, ON covering Ontario
- Montreal, QC covering Quebec
- Halifax, N.S. covering Atlantic Canada
- Iqaluit, Nunavut covering Nunavut

The objectives of the consultations are to identify:

- resource recovery priorities in urban and rural communities across Canada;
- resource recovery priorities north of Canada's 60th parallel;
- barriers to resource recovery in each region;
- potential resource recovery demonstration projects in industrial, post-consumer and institutional sectors;
- estimated levels of project funding and co-funding partners.

Participants are requested to come to the meeting with one or more of the following:

- local resource recovery issues and opportunities;
- sectoral resource recovery issues and opportunities, i.e. industrial, institutional, post-consumer;
- barriers encountered in addressing the above issues and opportunities;
- potential demonstration projects that need co-funding to implement.

A draft format for identifying potential demonstration projects is attached for your consideration (see Appendix I). One form for each potential demonstration project should be completed and taken to the consultation meeting.

The priorities, barriers and demonstration projects identified over the course of the consultations will be compiled in notes that will be transmitted to all participants. NRCan will use the results of the consultations to recommend demonstration projects for co-funding by the federal government.

3. CONTEXT

3.1 Background

Domestic and global demand for recycling and recycled products has been steadily increasing, and will continue. Both industrialized and non-industrialized economies are being challenged to be efficient and competitive, and to ensure the environmentally sound management of products and materials throughout their life cycle.

The recycling of products is becoming a highly competitive growth industry. Recycling is recognized as being resource efficient and is one of the means of achieving industrial and commercial stewardship together with associated reductions in greenhouse gas emissions. Domestic and international pressure for the adoption of prevention-oriented measures that maximize the material and energy efficiency of products in their design and manufacture is growing. This pressure is creating opportunities for cost-effective and environmentally sound recycling and reuse of products at the end of their planned economic life.

Canada has been blessed with geography and geology rich in naturally occurring resources. Due to the multi-elemental complexity of many ore bodies, the challenges presented in harvesting multiple species of forest resources and oil exploration and extraction, Canada has unique and highly specialized competencies in natural resource management and production expertise. This specialized resource management knowledge base combined with existing infrastructure of modern processes and production facilities, provide a significant advantage in managing complex recyclable resource materials arising from both post industrial and post consumer sectors.

Small and Medium-size Enterprises (SME's) have their own special opportunities, needs and challenges. For them, a typical challenge is to secure access to small-scale technologies and processes for resource recovery that are affordable and cost-effective, and that do not necessarily rely on direct or regular access to more sophisticated centralized recovery facilities. SMEs remain the backbone of Canada's economy, responsible for a high proportion of employment, growth.

In absolute terms resource recovery operations are most attractive in urbanized regions, but in relative terms can occasionally be of greater significance in sensitive rural and remote areas. The North would be a particularly significant case in point, as would be valuable farming and tourism areas and regions with delicate ecosystems and valued natural amenities. In communities and regions where haulage of recyclable materials to centralize recovery operations is too costly or impractical, local small-scale recovery enterprises may present an attractive alternative and opportunity.

Canada has an opportunity to establish itself as a global leader in niche areas of resource recovery, with a positive image as a responsible life-cycle manager of products. There is a need to develop and promote Canadian technologies and approaches that can compete in the

growing global market for viable and environmentally responsible resource recovery technologies and expertise. In order for this to happen Canada has to remain an active and credible participant in international policy developments affecting both global markets for recyclable materials and the access to foreign markets of Canadian products.

3.2 The Canadian Resource Recovery Strategy

NRCan is facilitating the development of a Canadian resource recovery strategy. Canada needs a strategy for the following reasons:

- to improve material and resource efficiencies,
- reduce environmental impacts of resource use,
- contribute to Canada's plan to reduce greenhouse gas emissions,
- address the unique challenges and opportunities to resource recovery posed by Canada's geography, population distribution and climate,
- position Canada to be a global leader in niche areas of resource recovery.

Resource recovery consists of measures to maximize the economic opportunities and success in - recovering products (and by-products), materials and energy at the end of product life, and putting them back to work in the economy through recycling and reuse.

A resource recovery strategy focuses on the promotion and support of innovative product design and supportive public, private and consumer policies and practices that a.) increase the recoverability of valuable material and energy resources at the end of product life; b.) improve access to recoverable products, materials and energy (including product components and by-products) by those involved in the recycling and reuse sectors; and c.) enhance the efficiency and environmental soundness of recycling and reuse. Cost-effective and environmentally sound resource recovery optimizes the productive use of natural resources, minimizes waste generation and related treatment and disposal costs and supports industrial innovation and competitiveness.

Effective resource recovery efforts involve complex policy, technology, regulatory, and infrastructure issues that transcend traditional industrial, commercial, institutional and consumer sector and inter-jurisdictional boundaries. Strong partnerships with provinces/territories, communities, industry, consumers and public stakeholder groups are vital to successful approaches. The establishment of a consultation process identifying projects that will have an impact on the recovery of materials currently going to waste is an essential start.

Three key elements need to be addressed when developing a cost-effective, environmentally sound resource recovery strategy that can advance Canada's sustainable development goals:

1. How to inform, influence and engage decision-makers in governments, industry, non-governmental organizations and Canadians generally in taking appropriate action in resource recovery activities. Shifting the paradigm, from considering end-of-life products and materials as a waste to looking at them as valuable resources to be recovered for further economic use, will be crucial to increased recovery activities
2. How to advance technologies, processes and supporting institutional networks and infrastructure so that they better support resource recovery. The availability of cost-effective and environmentally sound technologies, infrastructure, equipment and processes is vital to the growth and development of domestic resource recovery operations. This includes both upstream technologies and approaches for the design of products that are amenable to cost-effective recovery at the end of their planned

economic life, and downstream technologies and approaches for the efficient and effective diversion, extraction, separation, reuse and recycling of materials and energy

3. How to create and maintain a policy and regulatory environment that facilitates and reinforces cost-effective and environmentally sound resource recovery. At the heart of a viable resource recovery sector in Canada is a favourable domestic climate for investment in, and operation of, resources recovery operations. The complex array of regulatory and other policy measures affecting the operation and financing of resource recovery operations influence profoundly the overall financial and operational viability of many reuse and recycling initiatives.

4. Project Criteria

Demonstration projects are to be identified that:

- will develop and promote Canadian technologies and approaches that can compete in the growing global market for viable and environmentally responsible resource recovery technologies and expertise;
- inform, influence and engage decision-makers in governments, industry, non-governmental organizations and Canadians generally in taking appropriate action in resource recovery activities;
- advance technologies, processes and supporting institutional networks and infrastructure so that they better support resource recovery;
- create and maintain a policy and regulatory environment that facilitates and reinforces cost-effective and environmentally sound resource recovery.

The projects should:

- be capable of being economically, environmentally and socially sustainable;
- have willing partners from other levels of government, industry, community groups and other interested stakeholders;
- recover products and materials at the end-of-life for industrial, institutional and post consumer levels of society;
- address local priorities and have active local champions,
- be reasonably well-defined
- need co-funding to implement.

5. Conclusions and Next Steps

Following the stakeholder consultation sessions and any written comments submitted by May 31, 2002, a summary of the comments received will be compiled and circulated to interested stakeholders. Taking these comments into account, an overall strategy will be developed. The recommended demonstration projects and funding levels and partners will form the basis of the strategy. It is anticipated that the strategy will be submitted for funding approval in the fall of 2002.

Stakeholder views on these proposals are an important element of the Canadian resource recovery strategy process. Your views are greatly appreciated.

6. Appendix I

Canadian Resource Recovery Strategy

Draft Format to Identify Potential Projects

- Title

- Originator (with address and contact information by e-mail, Fax and telephone.)

- Brief description of proposed project

- Type of project: industrial, post-consumer, institutional.

- Geographical Emphasis: north of 60th parallel, urban and/or rural.

- Estimated impact on material and/or energy recovery.

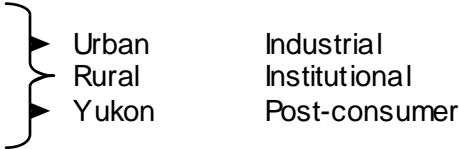
- Estimated total cost of the project, and estimated timeframes.

- Potential partners in project.

- Estimated funding sources and levels

Attachment II
Consultations on a Canadian Resource Recovery Strategy
Vancouver/British Columbia & Yukon Consultation - April 4, 2002
Radisson Hotel, Burnaby, BC

Agenda

8:00 am	Registration & Refreshments	
8:30 am	Welcome and Introductions	Roger Yates
8:40 am	Opening Remarks	Alex Ignatow Natural Resources Canada
8:50 am	Round Table Introductions	All
9:05 am	Overview & Workshop Objectives	Mike Clapham
9:20 am	Panel Introductions	Roger Yates
9:30 am	Panel Discussion on Priorities, Issues:	Invited Local Representatives
		Randy Sentis, Teck-Cominco Craig Foster, Recycling Council of BC Gregory Tyson, BC Government Raymond Gaudart, Kootenay Region
10:30 a.m.	Break	
10:45 am	Plenary Discussion	Chair: Francois Bregha
11:45 am	Networking buffet lunch	
12:30 pm	Introduction of Issues to be addressed by breakout Groups	Francois Bregha
12:40 pm	Breakout Groups	
3:00 pm	Break	
3:15 pm	Groups Report to Plenary/Group Discussion	Chair: Francois Bregha
3:45 pm	Round Table Closing Comments/Issues	All
4:15	Next Steps	Mike Clapham
4:30 pm	Summary/Thank You's	Roger Yates
4:45	Adjourn	

Attachment III

Consultations on a Canadian Resource Recovery Strategy Vancouver/British Columbia & Yukon Consultation – April 4, 2002

List of Participants

Company	Name	Contact Number	Email Address
ABC Recycling	Ron Ramsey	604-522-9727	ron@abcrecycling.com
BC Hydro	Janet McCabe	604-590-7514	janet.mccabe@bchydro.com
BC Hydro	Frank Bennett	604-590-7514	Frank.Bennett@bchydro.com
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BC Ministry of Water Land & Air Protection	Brian Grant	250-356-9834	brian.grant@gems9.gov.bc.ca
BC Ministry of Water Land & Air Protection	Gregory Tyson (Panellist)	250-387-7980	Greg.Tyson@gems6.gov.bc.ca
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Encorp Pacific (Canada)	Neil Hastie	604-473-2417	neil@encorpinc.com
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Federation of Canadian Municipalities	Sherri Watson	613-792-1357	smwatson@magma.ca
Footprint Environmental Associates	Mary Jean O'Donnell	604-253-5409	zerowaste@telus.net
Forcast	Mike Apsey	604-222-5664	apsey@van.forintek.ca
Genesis Recycling	Al Graber	604-536-4244	Al_graber@telus.net
Greater Vancouver Regional District	Nancy Knight	604-436-6968	Nancy.knight@gvr.bc.ca
Hatch	Roger Yates (Facilitator)	905-403-4131	ryates@hatch.ca
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New West Gypsum	Byron Harkes	604-240-6612	byronsbooks@shaw.ca
NRCan	Alex Ignatow	613-992-2018	aignatow@nrcan.gc.ca
NRCan	Mike Clapham	613-992-4404	mclapham@nrcan.gc.ca
Product Care Association	Paul Iverson	604-592-2972 ext. 210	piverson@productcare.org
Pulp & Paper Research Institute	Paul Watson	604-222-3237	pwatson@paprican.ca
Recycling Council of British Columbia (RCBC)	Natalie Zgarlick	604-683-6009 Ext. 307	natalie@rcbc.bc.ca
Regional District of Kootenay Boundary	Raymond Gaudart (Panellist)	250-368-0232	wasteman@rdkb.com
Regional District of Nanaimo	Alan Stanley	877-607-4111 250-390-6450	astanley@rdn.bc.ca
RTL Consulting Group	Duncan Dow	604-408-0324	ddow@rtl.ca
Science Council of BC	Bernadette Mah	604-438-2752 ext. 276	bmah@scbc.org

Company	Name	Contact Number	Email Address
Stratos Inc.	Francois Bregha (Facilitator)	613-241-4758	fbregha@stratos-sts.com
Teck-Cominco	Randy Sentis (Panellist)	250-364-4238	randy.sentis@teckcominco.com
Wastech Servies and Holdings (and RCBC)	Craig Foster (Panellist)	604-517-6554	cfoster@wastech.ca

Did not attend:

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Attachment IV

Draft BC Government Discussion Paper on Product Stewardship

Product Stewardship *Regulatory Continuum*

Primary Responsibility:	7. Traditional Model	Shift toward	8. Producer/User Responsibility Model	
	7.1 Government		Industry/Consumers	
Authorization	Government regulated and operated	→	Gov't regulated and operated by industry	Pro-active Product Stewardship by Industry
Funding	Funded by general taxes or government levy on specific product	→	Industry and consumer pays	Industry pays and/or profits
Monitoring	Gov't audits its own performance	→	Industry demonstrates performance to Govt. and consumers	Consumers monitor industry and industry demonstrates performance to Govt.
Examples	Scrap Tires Lead-Acid Batteries	→	Used Oil Paint Medications Solvents, Fuels, Domestic Pesticides Beverage Containers	Commercial Pesticide Containers NiCd Rechargeable Batteries

Key outcomes anticipated from the producer responsibility model include:

1. **Fairness for taxpayers and enhanced accountability** - these systems recognize that the tax base is an economically and environmentally inefficient financing mechanism. Further, equitability is assured since taxpayers do not finance these systems and producers and users bear responsibility to manage wastes that they directly generate, and not more, rather than taxpayers subsidizing the waste management system regardless of corporate production and/or personal consumption patterns.
2. **Self-enforcing mechanisms** - since the industry brand-owners operating in compliance with the system have a direct financial interest in ensuring broad compliance among marketplace competitors (to prevent "free riders"), the system is embedded with a "self-policing" mechanism, substantially reducing the need for government inspection and compliance auditing. Enforcement action on non-compliant "free riders" remains important in order to ensure the maintenance of a level playing field within each sector.
3. **Reduced overall costs and continuous system improvement** - since producers are provided with clear outcome-based market incentives to produce and sell packaging and products that can be cost-effectively managed at the end-of-life phase and private sector efficiency is capitalized on to minimize unavoidable costs in system delivery. This recognizes the role of market forces in determining the most efficient means to achieve environmental objectives.
4. **Application of private sector innovation and financial resources to reduce waste and encourage greater sustainability at all stages of product life-cycles** - enabling the province to achieve ambitious waste management and economic development goals which could not be realized through prescriptive regulation and/or cumbersome taxpayer financed and government operated programs.

Fundamental Principles

These principles have been developed based on best practices around the world as outlined in the Organisation For Economic Co-Operation and Development publication entitled *Extended Producer Responsibility: A Guidance Manual for Governments*.

Product Stewardship Principles:

Level Playing Field

- All brand-owners subject to same stewardship responsibilities
- Brand-owners treated equitably
- Supports the principle of a level playing field for business, regardless of where they are located

Producer/User pay

- To reduce tax burdens and take advantage of market-based incentives, responsibility for management of wastes and compliance/enforcement monitoring is shifted from taxpayers to producers and users

- Fairness for taxpayers and shift away from government financed and operated programs
- Reliance on private sector delivery, where possible
- Supports the goals of sustainability, accountability and responsibility

Sustainability and Consideration of Product Life-Cycles

- Consumer convenience and communication is critical
- Product management is consistent with pollution prevention hierarchy.
- Programs are structured to:
 - encourage waste minimization
 - prevent shifting environmental and/or economic responsibility away from responsible parties
 - provide market incentives for changes in how products are designed, produced and sold to ensure cost-effective re-use and recycling
 - integrate economic, social and environmental goals

Minimum Government Involvement

- Government establishes clear outcome-based product stewardship goals and ensures maximum flexibility for industry to cost-effectively achieve those goals
- Responsibility is not shifted to other levels of government
- Supports shift to increased private sector involvement in environmental protection

Outcomes-based

- Instruments establishing stewardship programs should be outcomes-based in order to:
 - enable maximum flexibility for industry to determine the most cost-effective means to achieve the outcomes and adapt to changing marketplace circumstances; and
 - create market-based financial incentives for continued innovation by industry
- Clear science-based targets modeled on a results-based and continuous improvement approach

Regulatory Clarity

- A clear definition of product categories is vital to simplify compliance and enforcement and to ensure all participants in the system clearly understand product categories managed within the system
- Reduced government red tape and regulatory clarity for government, industry and consumers

Government Transparency and Industry Accountability

- Program development process is open and involves all stakeholders and affected industry groups

- Industry is accountable to both government and consumers in terms of demonstrating environmental outcomes and that fees or levies assessed by the industry are properly allocated

Economic Diversification and Development

- Initiatives will be implemented in a manner that avoids unacceptable economic dislocations
- Encourages private sector innovation and introduces competitive market pressures to waste management systems
- Supports private sector economic development, technological innovation and capacity growth

Continuous Improvement

- Programs support continuous improvement in product system efficiency
- Periodic evaluations are carried out to ensure outcomes are being achieved and to determine if regulatory improvements are necessary
- Encourages private sector innovation and introduces competitive market pressures to waste management and waste recovery systems
- Clear science-based targets modeled on a results-based and continuous improvement approach