

BC's PPP Program After Year One ... and Beyond!

Canadian Conference on Stewardship

September 30th, 2015

About MMBC

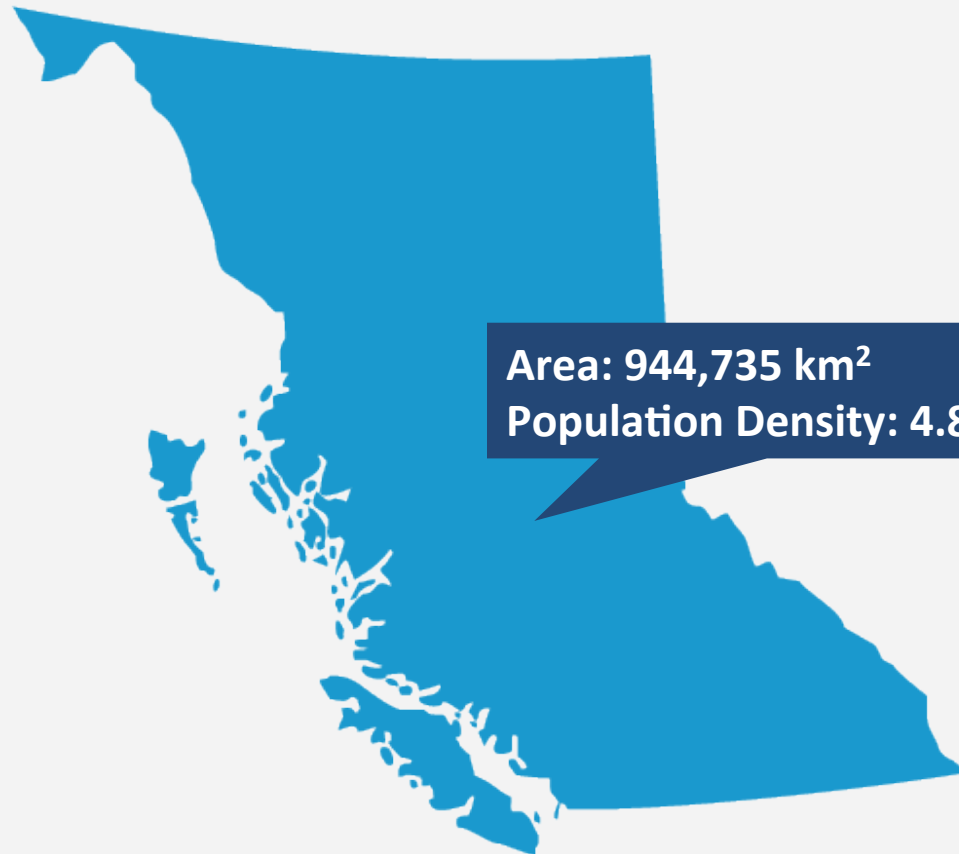
- ♻️ MMBC is a not-for-profit agency formed under the BC *Society Act* to develop a stewardship plan to satisfy the requirements of the BC *Recycling Regulation* for Packaging & Printed Paper (PPP) producers
- ♻️ Businesses can appoint MMBC as their agent to discharge their obligations under the Recycling Regulation
- ♻️ About 1,000 businesses have joined MMBC as members
- ♻️ MMBC is the latest in over 20 stewardship agencies in BC that already manage materials such as paint, tires and electronics

Highlights of MMBC Stewardship Plan

- ♻️ Producers of PPP are responsible for:
 - ♻️ Reasonable access to PPP collection services
 - ♻️ Management of collected PPP:
 - ♻️ Within the context of the pollution prevention hierarchy
 - ♻️ To achieve 75% recovery within a reasonable time
 - ♻️ Establishing relationships with:
 - ♻️ Collectors: local governments, private sector companies and not-for-profit organizations
 - ♻️ Post-collection service providers
- ♻️ Financing implementation of PPP Stewardship Plan

Context for Program Launch

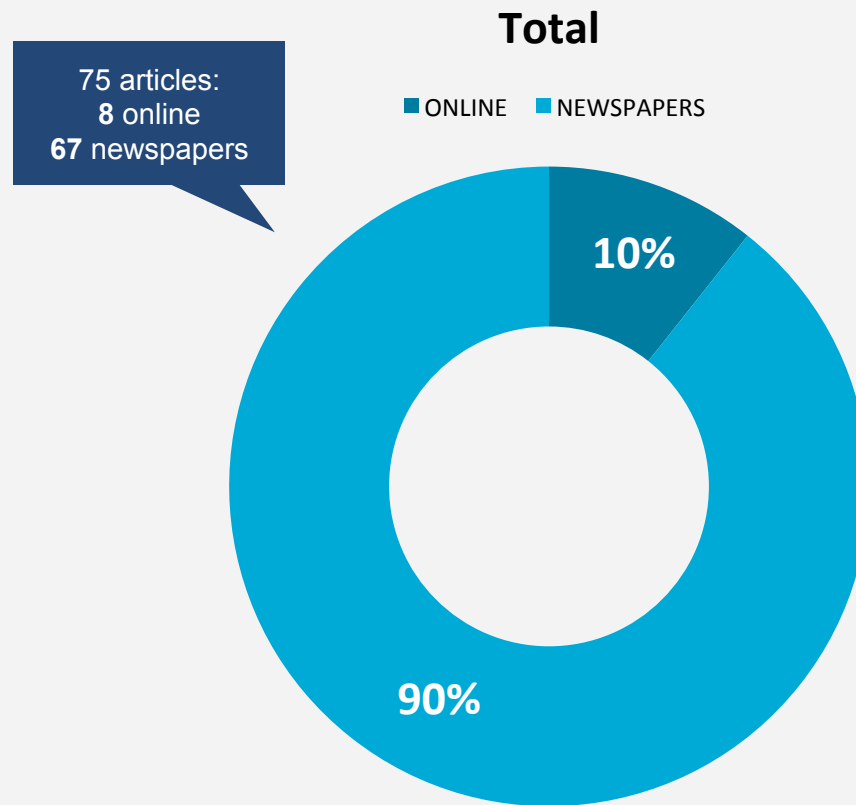
British Columbia is Big ...



Tight Timelines

- ♻️ Stewardship Plan Approval: April 2013
- ♻️ Collection Network
 - ♻️ Offers to local governments: June 2013
 - ♻️ Acceptance of offer: by September 16, 2013
 - ♻️ Contracts signed: by November 30, 2013
- ♻️ Post-Collection
 - ♻️ RFP issued: October 21, 2013
 - ♻️ Successful candidates announced: February 28, 2014
- ♻️ Launch: May 19, 2014
 - ♻️ Post-collection network established and relationships with collectors finalized in less than 90 days

What Was So Controversial?



What Was So Controversial?



While you're not looking, this is what's happening to BC's world renowned recycling program.

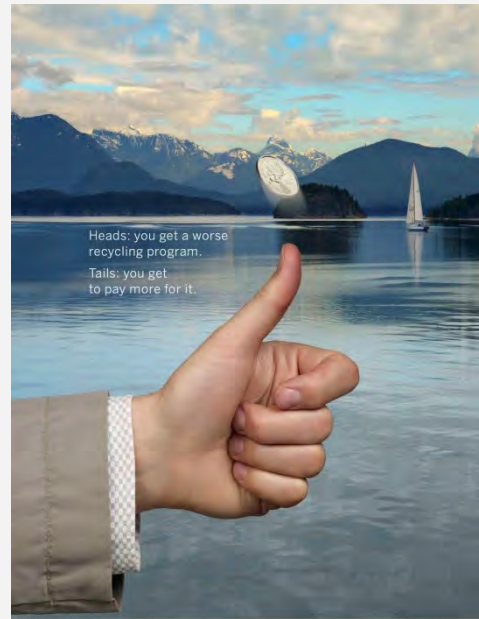
Well, lookie here. One minute you have a perfectly good Blue Box recycling program. The next, something new and rather questionable is being put in its place. And they thought they'd get away with it right under your nose, without telling you or asking your opinion. That's definitely not democracy in action. The BC Government, elected by us to represent our best interests, has decided to offload the costs of recycling to big multi-national corporations. To implement this new plan, they've set up an association that doesn't really seem to hold the environment, local jobs, or the municipalities that run the Blue Box program, close to its heart.

Perhaps that's why some of our local elected officials are using the word "scam" to describe how the new program is being set up. It's also perhaps why several of BC's municipalities refuse to jump on board. That's gotta tell you something. Now it's your turn to let Premier Christy Clark know what you think. Contact her today to say that dismantling an already-working recycling program to replace it with something that few people think will be as good, is a bad idea.

What's going on here?



Email Christy Clark at premier@gov.bc.ca or call 250-387-1715. For more info, visit [RethinkItBC.ca](https://rethinkitbc.ca) #RethinkItBC



Heads: you get a worse recycling program. Tails: you get to pay more for it.

The BC Government is proposing to offload the province's world-class recycling programs, run by local municipalities, to an association led by big multi-national corporations. The idea is that we'll get a better, more efficient program that costs taxpayers less. Unfortunately, what we'll really end up with is anyone's guess. The association isn't guaranteeing that we'll get a better program, or even one as good as the current Blue Box program already in place. Since the association is led by big businesses outside of BC, many of whom are not even headquartered in Canada, one could presume that profits will come before environmental stewardship. They usually do. They also won't guarantee that there won't be any job cuts here in BC. And how is this supposed to make things better for BC?

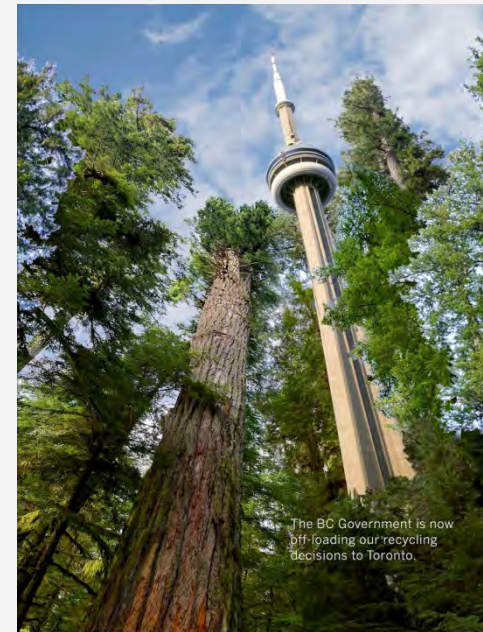
Currently, BC homeowners only pay, on average, \$35 a year for curbside recycling. Under the proposed regime, you'll pay more. Every time you bring home a pizza, buy toilet paper, or pretty much anything else that comes in a package, businesses will be passing their increased costs on to you. How much more? Well, nobody's saying.

Here's the only thing anyone does know: we already have a Blue Box program that works, is efficient, managed locally and puts the BC environment first. So why is the BC government flipping a coin, bringing in a questionable recycling program that some of our local elected officials are already calling a "scam"? It's time to contact Premier Clark and ask her.

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The BC Government is now off-loading our recycling decisions to Toronto.

Under its new regulations, the BC Government has set up an association led by big corporations to take over the local Blue Box recycling program throughout BC. If you look closely, you'll see that of seven board members, six are executives of Toronto-based multi-national corporations, with the seventh weighting in from Montreal. How do you like that, British Columbia? This means, unlike the current program run locally by BC municipalities, this new program will be managed not by people whose first responsibility is our local environment, but rather, their Bay St. profits. That can't be a good thing for BC.

The most perplexing thing is that we currently have a Blue Box program that works, is efficient, and costs BC homeowners just \$35 a year on average. The new proposed system does not

guarantee to keep our local environment as its first priority, nor does it guarantee that there won't be job losses here in BC. It doesn't guarantee service levels, or say anything about how big business will pass along the costs to you when you go to pick up a pizza or buy groceries.

Yeah. Perhaps this is why several of BC's municipalities refuse to sign onto the new program, calling it a "scam". Given that, maybe it's time you called Premier Clark to keep BC's environmental decisions right here in BC where they belong.

What's going on here?



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Year One Update

Successful Launch

May 19, 2014, marked the launch of MMBC operations in BC.
Over one year into the program we are proud that we are:



Servicing 1.24 million curbside and multi-family households



Servicing 96% of BC households through our depot network



Offering a standard basket of goods for residential collection



Providing 20 BC communities curbside recycling for the first time

MMBC Collection System

♻️ Curbside recycling

- ♻️ Local governments receiving MMBC incentives on a per-household basis
- ♻️ Direct service by MMBC in 10 jurisdictions

♻️ Multi-Family recycling

- ♻️ Local governments and private companies receiving MMBC incentives on a per-household basis

♻️ Depots

- ♻️ Local governments, non-profits and private companies receiving MMBC incentives on a per-tonne basis

Post Collection System

- ♻️ MMBC is responsible for all post-collection activities by hiring contractors to:
 - ♻️ pick up PPP from depots
 - ♻️ receive PPP from curbside and multi-family building collectors
 - ♻️ transport, process and market PPP
- ♻️ Green by Nature (GBN) awarded post-collection contract

2014 MMBC Performance

- ♻️ Achieved a **80% recovery rate** for members' materials
 - Exceeding the regulated 75% target
- ♻️ In 7.5 months of operation in 2014, MMBC collected over **116,000 tonnes** of recyclables from households and depots
- ♻️ Over 93 percent of material collected is recycled, which exceeds the target of 85 – 90% in our stewardship plan

Smooth Transition for Residents

- ♻️ 74% of residents agree that the program meets or exceeds their expectations; indicating a smooth transition into the new system
- ♻️ A vast majority of respondents (86%) find the recycling service unchanged or better than a year ago.
- ♻️ There is a strong, positive view of improvements in quality, frequency and availability of information on recycling over the past year where 39% say it improved



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Going Forward

What Have We Learned ...

- ♻️ **Contracts are important:** Established framework and rules allow MMBC to work collaboratively with collectors on issues such as reducing contamination
- ♻️ **Segregation of glass and plastic film:** The right decisions, particularly in light of challenges in the U.S.
- ♻️ **Partners make the difference:** Local governments and private sector companies have been strong partners for MMBC in launching and operating the program

Challenges on the Horizon

- ♻️ Blue box composition evolving with more challenging materials being introduced in the marketplace
- ♻️ Commodity markets remain volatile and could be impacted further by a prolonged slowdown in China
- ♻️ Continued pressure to keep steward fees stable and predictable

Opportunities

- ❻ Partner with producers: Assess benefits of changes to packaging and collaborate to assess how materials are managed through the system
- ❻ Educate residents regarding industry's role managing the PPP system
 - ❻ Residents support concept but don't understand how it works
- ❻ Refine and optimize the supply chain
 - ❻ Increase efficiencies and identify opportunities to reduce costs, and improve the marketability of the collected material
- ❻ Identify ways to improve and simplify the reporting process

Impact on Your Business?

- ❻ The MMBC system provides producers with best long-term opportunity for producers to manage their obligations for PPP in light of increasing costs, volatile commodity markets and continued innovations in packaging types and materials
- ❻ MMBC represents a model of the circular economy in action where producers have influence on both the creation and end-of-life management of their materials that can provide the basis for more holistic decisions as new innovations in packaging are developed and implemented.

With Some Caveats ...

- ❧ Operating a reverse supply chain is complex and resource intensive, particularly when the goal is to maximize the recyclability of the materials collected at a reasonable cost
- ❧ Emulating the MMBC model is predicated on the ability to leverage economies of scale and may not be appropriate for every jurisdiction



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QUESTIONS?