Multi-Material Stewardship Western

Phase 2 Eligibility and Efficiency Criteria
October 29, 2024



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Agenda

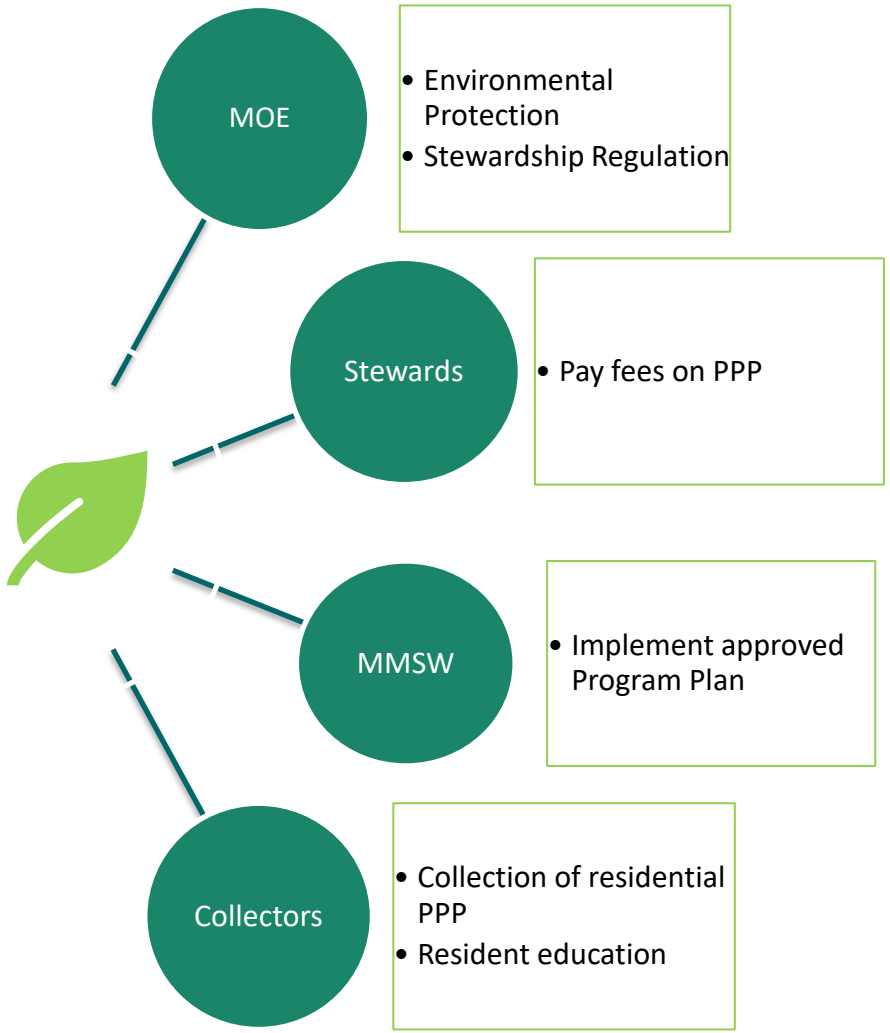
1. Introduction
2. Background & Context - Transition to Full EPR
3. Phase 2 Collectors – Insights
   - Q&A – Clarifying questions only
4. Eligibility and Efficiency Criteria
   - Q & A – Discussion questions about criteria
5. Next steps

Background & Context



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Major Stakeholders



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Extended Producer Responsibility

Extended Producer Responsibility (EPR)

An approach to product stewardship where producers assume responsibility for the post-consumer management of a product. This can include partial or full financial and operational responsibility.

Current EPR Model: Shared Responsibility

- Stewards responsible for costs up to 75% for effective & efficient recycling.
- Collectors manage own programs:
  - Type of service (curb/depot)
  - Range of materials
  - Frequency of collection
  - Sub-contracting for the work
  - Promoting/Educating residents
  - Post-collection processing and marketing of collected materials.

Current EPR Program

2016

MMSW program established as a producer responsibility organization

550+

Producers participate in the program

75%

Payment of net municipal costs by producers

500+

Municipalities, Indigenous communities & Regional Waste Authorities

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MMSW Highlights

Since program inception in 2016 until end of 2023:



84.7%

Access



316,444

Tonnes collected



93.1 M

Contributed by producers

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Updated Regulations



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Transition to Full EPR: Updated Regulations

- The Household Packaging and Paper Stewardship Program Regulations, 2023 (The Regulations) came into effect on March 31, 2023.
- The Regulation calls for a transition to a full Extended Producer Responsibility (EPR) program for the management of household packaging and paper products (PPP) in Saskatchewan.
- These regulatory changes will result in a shift to a program fully funded and operated by producers of PPP.
- MMSW held virtual and in-person consultations with collection partners on its Draft Program Plan.



Province of Saskatchewan

Order in Council 127/2023

Approved and Ordered: MAR 29 2023

Lieutenant Governor/Administrator

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, makes *The Household Packaging and Paper Stewardship Program Regulations, 2023* in accordance with the attached Schedule.

President of the Executive Council

(For administrative purposes only.)

Recommended by: Minister of Environment

Authority: ***The Environmental Management and Protection Act, 2010***, sections 46 and 98

JAG DM 21-03-23

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Approved Program Plan: An Overview



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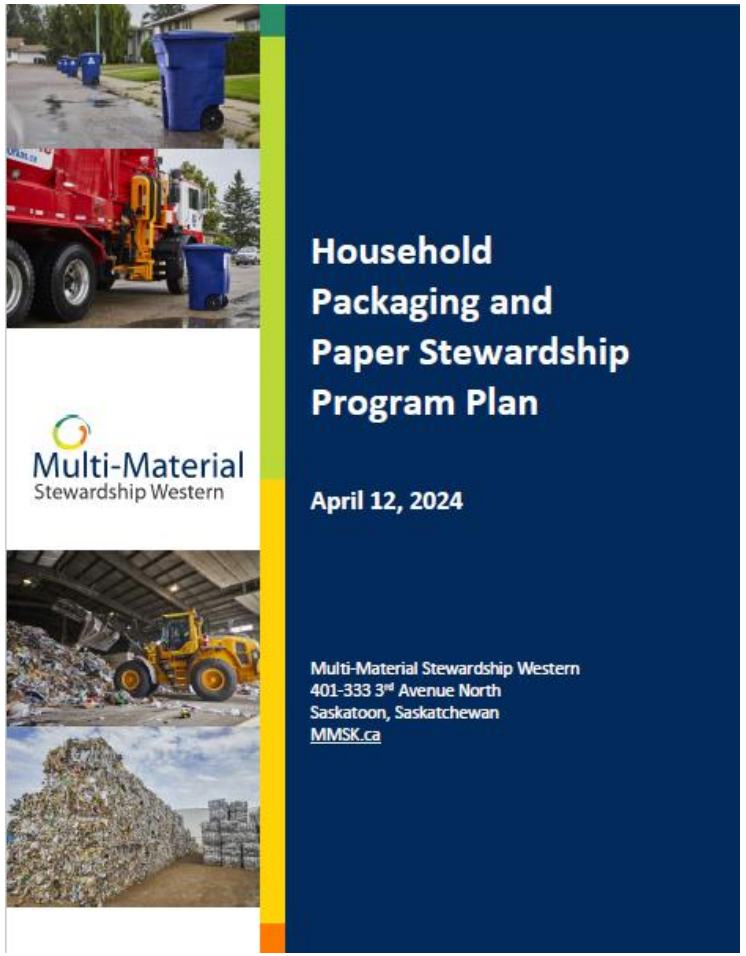
MMSW Program Plan

Roadmap to the transition from a shared responsibility model to a system that is managed and operated on behalf of its producer members.

The Program Plan outlines:

- Objectives
- Commitments
- Transition phases

Plan was approved in May of this year.



Collection System

- MMSW will contract with collection service providers which meet MMSW's collection qualification standards and efficiency criteria.



Post-Collection System

- MMSW will be responsible for all aspects of post-collection for PPP collected under each transition phase, including:
  - Receiving
  - Processing
  - Marketing





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Phased Approach to Implementation

Phase 1
Dec 1, 2024



Large Urban CURB/MF

Phase 2
Dec 1, 2025



Remaining CURB/MF

Phase 3
Dec 1, 2026

DEPOT

December 1, 2027 - ALL collectors transitioned

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Phased Approach to Implementation

Phase 1

- Design
- Procurement
- Implementation



Large Urban CURB/MF

Phase 2

- Design
- Procurement
- Implementation



Remaining CURB/MF

Phase 3

- Design
- Procurement
- Implementation

DEPOT

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Additional Stakeholder Engagement

- As several major program components cannot be developed until elements of the transition phases are implemented, MMSW will submit to the Ministry a total of three formal submissions for approval.
- Each submission will include a dedicated engagement period with relevant parties in advance of submission.

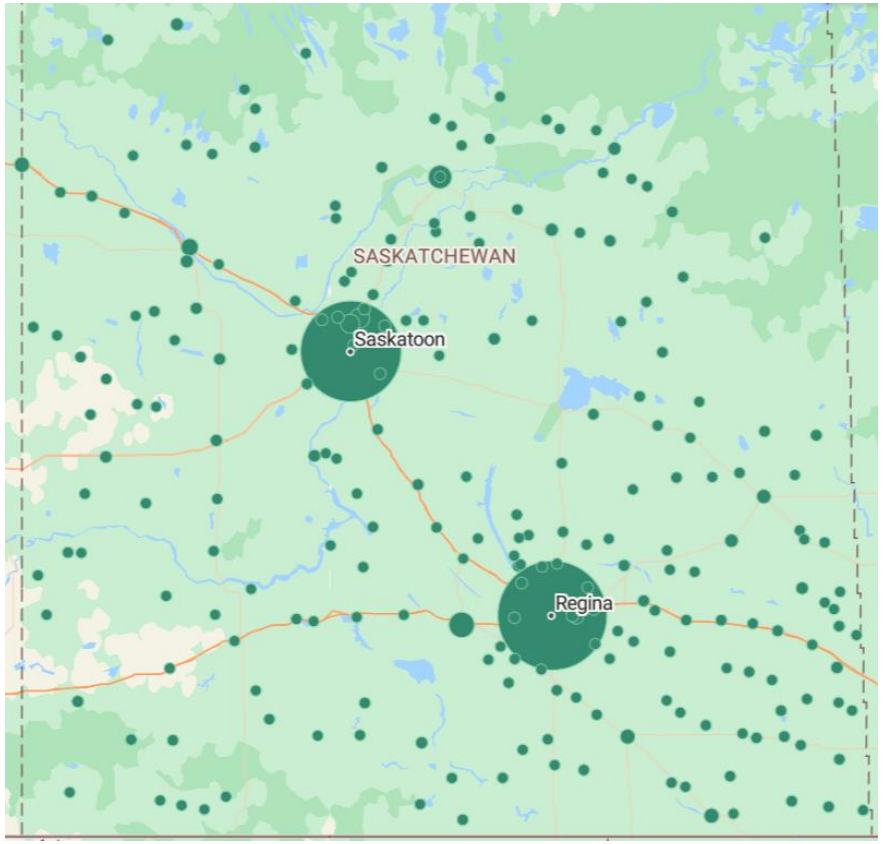
Submission Number	Program Plan Component	Program Plan Reference	Submission Timeline
1	Community Curbside and Multi-Family Collection Eligibility Criteria / Phase 2 Efficiency Criteria	Section 4.4.6 and 4.4.7	Launch of Transition Phase 1 Dec. 1, 2024
2	Depot Collection Eligibility Criteria and Collection Standards, Policies and Procedures for Depot Collection	Section 4.4.9	Launch of Transition Phase 2 Dec. 1, 2025
3	Performance Targets	Section 5.3.4	Launch of Transition Phase 3 + 12 months Dec. 1, 2027

Phase 2 Eligibility and Efficiency Criteria: Background



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Phase 2 Collector Insights



- Over 200 Collectors
- 23% of total Saskatchewan households*
- Household counts range from 3 to 15,000+
- Towns, Villages, RMs, Resort Villages
- 7 RWAs (includes 2 Saskatchewan cities)
- Collectively represents 17% of total program tonnes of household PPP
- Single-stream, cart-based service

Phase 2 Field Questionnaire



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Learning About Phase 2 Collectors

- MMSW conducted a questionnaire aimed at gaining detailed understanding of important aspects of existing Phase 2 Collectors' household PPP recycling programs.
  - Structure of program
  - Contract terms
  - Range of materials
  - Successes/challenges
  - Ideal transition timelines

- Issued to all Collectors eligible for Phase 2

MMSW is still collecting information – watch for our outreach email/phone calls

Phase 2 Survey Results and Analysis

Highlights

101 responses, 46% of respondents surveyed

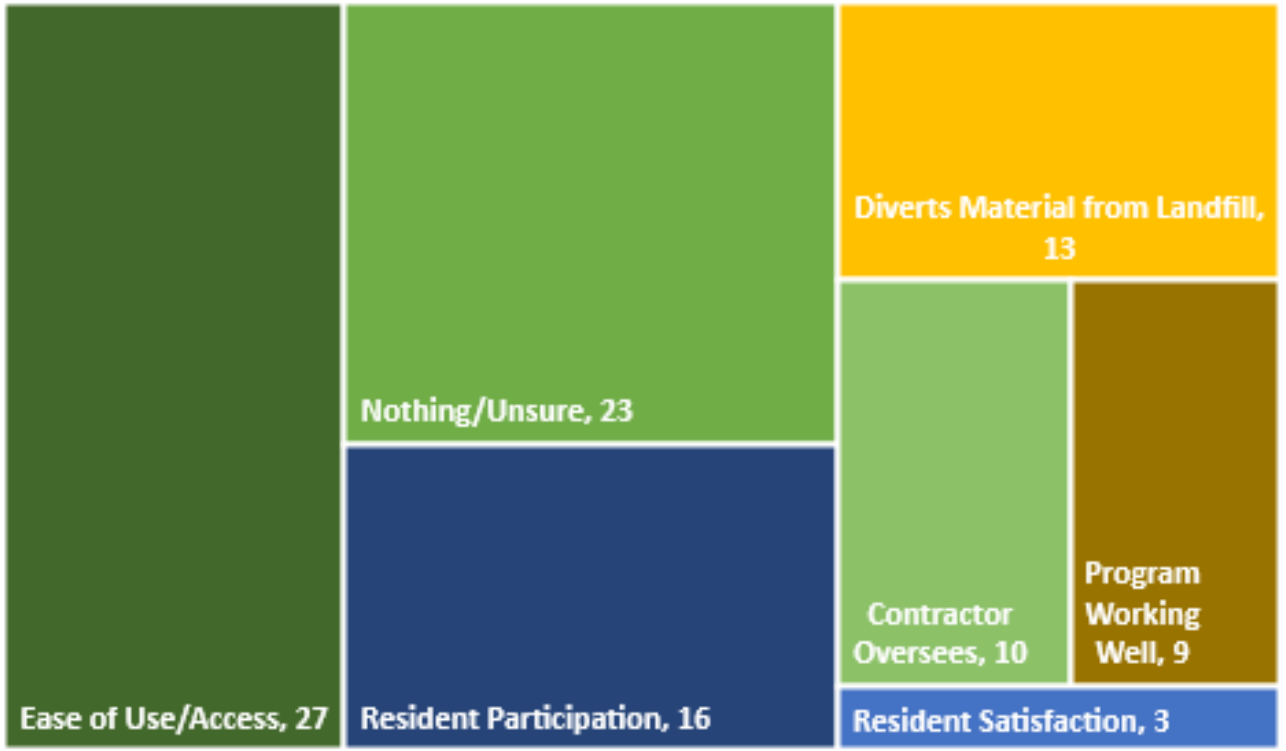
13% of respondents are currently part of a Regional Waste Authority; and

92% of respondents currently use a contractor to collect their household PPP recycling.

All respondents collect single-stream.

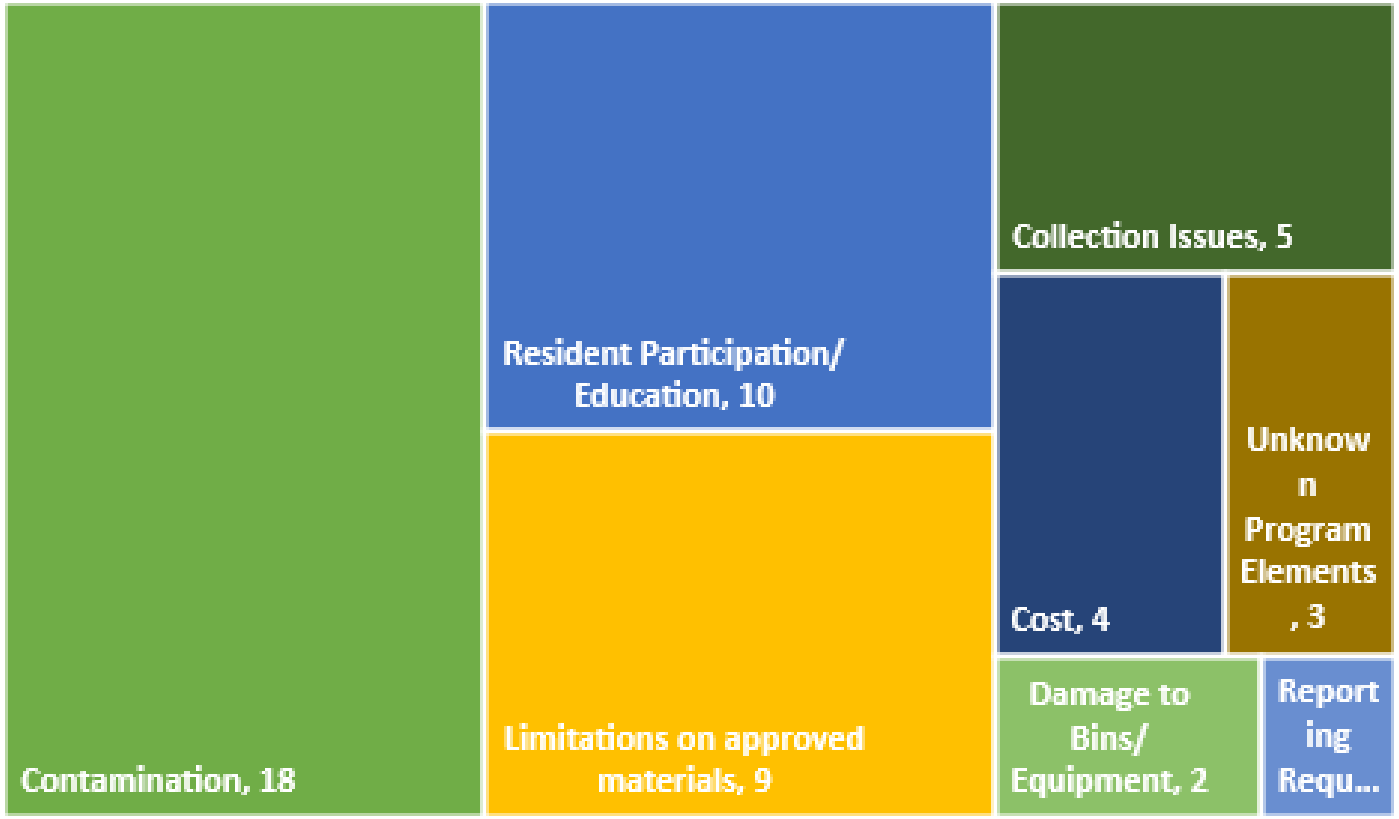
Successes

What is working well in your household PPP recycling program?



Challenges

What have been the most common challenges in your household PPP recycling program?



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Current Contracts Are Blended for Collections/Post-Collection



84% Phase 2 has combined contract services

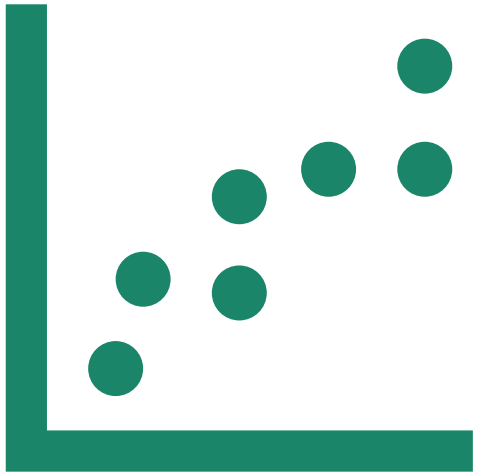


16% have separate contracts for collection vs. post-collection

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Recycling Services Transition – Contracts Context

- Highly variable in terms of contract structure, current commitments, renewal options and preferred timelines for transitioning to full-EPR model.



Additional Saskatchewan Research: Non-MMSW Municipalities

Approximately 285 municipalities not in our current program.

MMSW research shows a portion of them operate household PPP recycling programs.

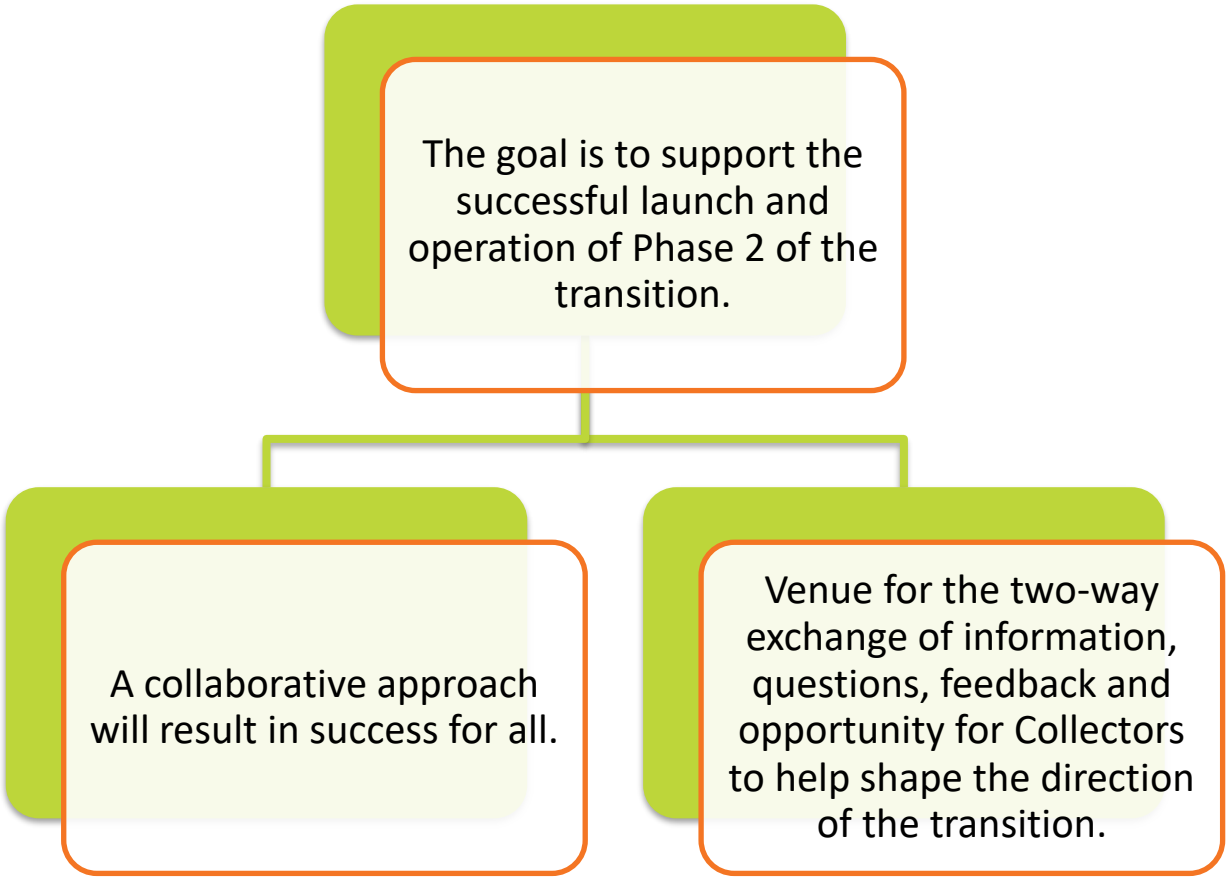
Eligibility criteria applies to non-MMSW program participants should they wish to join the Full EPR program at some time.

Phase 2 Working Group

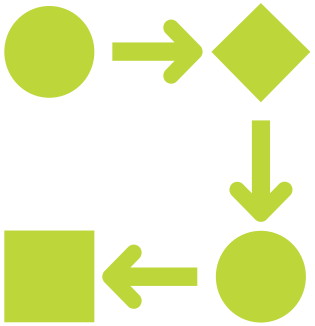


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Phase 2 Working Group Guiding Principles



Important Reminders



Our intent is to establish a robust process so collectors in future phases benefit too.



Focus is on the function of COLLECTION as all

POST-COLLECTION responsibility will pass to MMSW.

COLLECTION = collection of packaging and paper from residents, program promotion and education, contamination reduction.

POST-COLLECTION = sorting to commodity types, finding end markets, transport to end markets, monitoring chain of custody.

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Questions?



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Phase 2 Community Curbside and Multi-Family Eligibility Criteria

Phase 2 Efficiency Criteria



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Eligibility & Efficiency Criteria: Intent



Phase 2 Community Curbside and Multi-Family Eligibility Criteria

Define communities eligible for Phase 2

Define communities eligible for curbside and multi-family collection under transitioned MMSW program

Relevant to existing MMSW collectors and communities without curbside or multi-family collection under the MMSW program



Phase 2 Efficiency Criteria

Criteria through which MMSW will determine:

- Which communities eligible under Phase 2 will be given the opportunity to act as a collection service provider to MMSW
- Which communities MMSW will directly operate collection services in the future as applicable

Eligibility & Efficiency Criteria: Priorities



Process goals and priorities:

Simple and easily understood criteria

Clear process and timelines

Sufficient time for planning and consideration of options



Criteria goals and priorities:

Reduce administrative burdens

Foster operational efficiencies

Drive environmental improvement

Build on regional economies of scale

Encourage market competition and solutions

First Nations and Métis Communities

- MMSW will be engaging directly with First Nations and Métis communities and organizations to establish and ensure appropriate and meaningful engagement and understanding in planning, developing and implementing long-term operational household recycling programs for Indigenous communities.

- The Phase 2 Community Curbside and Multi-Family Eligibility Criteria and the Phase 2 Efficiency Criteria is not intended to apply to, or limit, the participation of First Nation and Métis communities.

- We are committed to respecting the culturally rich history that the land in which we operate holds with Indigenous Peoples in stewardship, care - and leadership. We value the opportunity of continued learning and shared experiences in our work of environmental stewardship and partnership with Indigenous Peoples and communities across Saskatchewan.

Transition Phase 2 - Indigenous Engagement

- MMSW will be engaging directly with First Nations and Métis communities and organizations on an appropriate process and timeline for additional and dedicated engagement on their involvement in recycling opportunities. This will be conducted in four stages:
  - **Stage 1** will focus on building relationships with applicable First Nations and Métis organizations by introducing these organizations to MMSW team members and providing key background information for the program, product stewardship, and the transition to the full EPR model.
  - **Stage 2** will focus on engaging with these various organizations and/or communities to learn how best to conduct culturally relevant, respectful and effective engagement on residential recycling and inclusion in a full EPR program in Saskatchewan.
  - **Stage 3** will include dedicated engagement with First Nations and Métis organizations and communities, bringing all learning and insights from Stage 2 into the process.
  - **Stage 4** will incorporate results from this engagement into MMSW's development of a meaningful model for First Nations and Métis participation in PPP recycling opportunities.

DRAFT Eligibility Criteria



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Community Curbside and Multi-Family Eligibility Criteria

- **DRAFT Criteria - MMSW Collectors:**
  - All municipalities and RWAs with existing curbside collection programs participating in the MMSW program as of July 1, 2024, will be eligible to participate in Transition Phase 2.
  - All municipalities and RWAs participating in the MMSW program as a curbside collection service provider (whether under the shared responsibility program, Transition Phase 1 or Phase 2) are eligible to launch and operate a multi-family collection program in the same service area.

Community Curbside and Multi-Family Eligibility Criteria

- **DRAFT Criteria – Non-MMSW Municipalities:**
  - Communities that did not have curbside collection programs participating in the MMSW program as of July 1, 2024, will be eligible to participate in Transition Phase 2 provided the following criteria are met:
    - The community is an incorporated municipality and either a Town, Northern Town, Village or Northern Village;
    - The community has a minimum population of 1,000 residents per the 2021 Census; and
    - A curbside garbage collection program is in place and operated by the municipality (whether directly or through a contract with a private collection company) or scheduled to launch no later than coinciding with the introduction of PPP curbside collection.

Community Curbside and Multi-Family Eligibility Criteria

- **DRAFT Criteria – Non-MMSW Municipalities:**

  - Communities that do not meet the criteria and wish to participate in Transition Phase 2 will be considered on a case-by-case basis. The following criteria will be considered when reviewing such requests and determining whether an exception will be granted:
    - Community population and density
    - Community proximity to other curbside service areas, population centers and post-collection facilities; and
    - The ability for the community to contribute to MMSW's collection targets and the establishment of an efficient and effective collection system.

DRAFT Efficiency Criteria



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Phase 2 - Three Models



Community-Led Model

Eligible communities may provide curbside and/or multi-family collection services in their community while acting as a collection service provider to MMSW.



Program-Led Model

MMSW operates curbside and/or multi-family collection service directly.



Continuation of current shared responsibility model

Continue with status quo option in the short-term.

Community-Led Model

All communities that meet the eligibility criteria will be eligible to act as a collection service provider under Phase 2 for the two-year period:

- **December 1, 2025, to December 1, 2027**

Communities will receive an offer from MMSW including:

- Master Services Agreement (MSA)
- Curbside Statement of Work (SOW) and Multi-Family SOW
- Incentive rates

Communities will have the opportunity to review these documents and consider whether to accept MMSW's offer and participate in Phase 2 as a collection service provider until December 1, 2027.

Community-Led Model

Communities that are interested in considering MMSW's offer may establish a review, signing and participation timeline for Phase 2 that reflects their internal decision-making process and will not be required to launch on December 1, 2025.

MMSW will communicate quarterly launch opportunities, each with respective deadlines for offer acceptance.

First launch window December 1, 2025.

Community-Led Model

MMSW collectors eligible under Phase 2 that need additional time to consider this offer will continue to receive payments in accordance with the terms of their existing agreements under the shared responsibility model until they launch under Phase 2 or December 1, 2027, whichever comes first.

MMSW collectors with existing collection contracts for the provision of curbside collection by a private collection company that expire prior to December 1, 2027:

Collectors are encouraged to extend these contracts to December 1, 2027.	Where this is not possible, MMSW will explore opportunities with the collector and their private contractor to ensure uninterrupted service delivery.

Program-Led Model

Effective **December 1, 2027**

MMSW will directly operate curbside and, if applicable, multi-family collection services in all municipalities and RWAs that meet the eligibility criteria and are participating in the MMSW program by December 1, 2025, except in the following cases:

An RWA that provides PPP curbside collection to two or more municipalities, First Nations or Métis communities (whether directly or through a contract with a private collection company) formally requests to act as a collection service provider under Phase 2 beyond December 1, 2027.

The municipality or RWA requests by December 1, 2025, to opt out of the MMSW program and intends to either terminate curbside collection services or operate those curbside collection services independently of the MMSW program after December 1, 2027.

Program-Led Model

MMSW will be responsible for all aspects of the management of collection services to residents

MMSW will procure collection services with private waste haulers directly.

Eligible communities will continue to receive curbside and, if applicable, multi-family collection services directly from MMSW

The community maintains a minimum threshold of 30 kg of collected material per household per year.

If, after 5 years a community has not achieved this threshold (or falls below the threshold after 5 years), MMSW will reserve the right to terminate that collection service.

Summary and Benefits



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Eligibility and Efficiency Criteria Summarized

All existing Curb/MF programs in MMSW program remain eligible

Criteria established to encourage new Curb/MF programs

MMSW collectors have two options for the two-year period of December 2025 – December 2027:

- Act as a collection service provider under Phase 2 until December 2027.
- Continue in shared responsibility model until December 2027.

MMSW will directly operate curb/MF programs effective December 2027 unless:

- RWA that provides bundled collection services requests to continue as collection service provider.
- Municipality or RWA requests to opt out of MMSW program by December 2025 deadline.

Benefits & Rationale

MMSW collectors:

- Clearly established process and timelines
- Sufficient time to consider options and adjust contract terms
- Residents will continue to receive service uninterrupted
- After December 2027: reduction in administrative burden, service without cost

MMSW:

- Clear deadline of who is in/out for MMSW service
- Sufficient time to develop a competitive procurement process
- Direct relationship with companies providing collection
- Opportunities to drive efficiencies, build regional economies of scale, encourage market competition

Private companies:

- New opportunities for growth and efficiencies

Questions to Audience

- Is the proposed criteria easy to understand?
- Does the information presented provide a clear process?
- Is there sufficient time provided for planning and consideration of options?
- What parts of the proposed criteria are you satisfied with?
- What parts of the proposed criteria are you not satisfied with?
- What changes would you suggest to improve this criteria?

Roundtable: Questions/Comments?



Next Steps

- Efficiency and Eligibility Criteria document was shared in advance of this meeting. If you have not received a copy, please email us and let us know.
- Deadline for written feedback is November 22, 2024.
  - Please send feedback to: info@multimaterialsw.ca.

Thank You



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