

**Canadian
Producer Responsibility Organizations**

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Table of Contents

Introduction:	p. 2
Key Findings:	p. 3
Ontario:	p. 4
Manitoba:	p. 7
British Columbia:	p. 11
Nova Scotia:	p. 14
Alberta – Used Oil:	p. 17
Australia – Packaging Covenant:	p. 18

Introduction

This summary provides information on Producer Responsibility Organizations, (PROs) in Canada, specifically examining how the organizations are established, appointed and managed. Producer responsibility organizations are either mandated – established through statute or regulation - or are formed voluntarily by industry in response to regulation. The means of establishing a PRO varies not only by province, but also within provinces, with different approaches for different materials and products.

Whether established legislatively or voluntarily, PROs typically administer recovery and recycling programs for specified materials. The membership can be entirely comprised of industry representatives, including manufacturers, distributors and retailers. Other PROs are multi-stakeholder organizations that include government representatives. PRO responsibilities usually include registering members, managing a program fund, collecting fees from members, monitoring compliance and reporting on results.

One common policy strategy in the provinces is to adopt an overarching “enabling statute,” usually a waste management or environmental protection act that is broad in scope. The enabling act provides the environmental ministry or Lt. Governor of a province with the authority to adopt regulations that establish stewardship requirements and programs for specified materials. The regulations do not have to go through any further legislative process nor be approved by the provincial legislature, which greatly simplifies the process of designating materials and triggering stewardship requirements.

This report begins with a synopsis of key findings that emerged from the analysis, and then focuses on four provinces and the ways in which they have established or encouraged the creation of producer responsibility organizations. The four provinces considered here are Ontario, Manitoba, British Columbia and Nova Scotia. The report also briefly outlines stewardship legislation for used oil in Alberta and concludes with an examination of a voluntary covenant for packaging in Australia, which creates a multi-stakeholder organization.

Key Findings

On Canadian Producer Responsibility Organizations

In establishing product stewardship policies, the Canadian provinces have all chosen to first adopt a legislative framework document, which sets forth product stewardship principles and responsibilities in broad terms. The provinces then use regulations or an agreement process to enact requirements for specific materials and industries.

The provinces do not designate materials or create material-specific requirements in the overarching, framework statutes. The provinces all enable their environmental ministries or Lt. Governor to make regulations to designate materials, and establish requirements for manufacturers, distributors and retailers of designated materials. This regulatory authority usually includes the power to create levies, specify responsibilities for collecting fees and materials, adopt performance goals, and enact requirements for public education and reporting.

When a province creates a PRO through statute or regulation, it is often referred to as an organization that operates “at arm’s length” from the government. While these legislatively established PROs include government representatives, they are not governmental organizations, but instead are industry driven and managed, with government monitoring.

The provinces all require a PRO, whether established through legislation or voluntarily, to develop a business plan and submit an annual report.

Manitoba is changing its approach to the creation of producer responsibility organizations. Instead of using material-specific regulations to legislatively establish a PRO as in the stewardship regulations of 1995, Manitoba is now drafting regulations that set forth expectations and requirements for industry to meet. Industry members are free to create a PRO in response.

Electronics are on the agenda in almost every province for product stewardship regulation. The provincial governments of British Columbia, Ontario, Manitoba, Nova Scotia and Alberta have all expressed their intent to establish product stewardship requirements for electronic products and manufacturers in the near future.

Some PROs are beginning to operate across more than one province. For example, PROs for used oil coordinate their efforts under the auspices of the Canadian Petroleum Products Institute. For paint, the BC Product Care association is administering stewardship programs in both BC and Nova Scotia.

Ontario

Statute:

Waste Diversion Act (WDA), June 2002.
www.e-laws.gov.on.ca/DBLaws/Statutes/English/02w06_e.htm

Producer Responsibility Organizations (PRO):

Waste Diversion Ontario (WDO), www.wdo.ca
Industry Funding Organizations

The Act creates Waste Diversion Ontario (WDO), an overarching, non-governmental organization charged with establishing industry run programs and funding for designated wastes. The Act specifies the composition of the WDO and its responsibilities.

The WDA authorizes and charges the WDO with establishing Industry Funding Organizations (IFO) for each designated material. The IFOs are a second tier of producer responsibility organizations. The Act outlines the roles and responsibilities of the WDO and the industry funding organizations.

Process:

The Minister of the Environment designates a waste material, and requires WDO to develop a diversion program for the material.

WDO creates an IFO, or works with an existing one. WDO establishes an agreement with the IFO, and together they develop a program, which will include an industry fee structure to pay for the program, performance targets and implementation details.

The WDO submits the agreement and program to the Minister for approval.

The Minister approves the agreement and program.

The IFO begins implementing the program, and may make rules, as authorized in statute, to designate stewards of the specified waste material, and set the amount of the fee to be paid by the stewards. (Stewards are usually brand owners and first importers.)

The IFO submits an annual report to the WDO, which submits an annual report to the Ministry of Environment.

Designated Materials:

The materials are not designated in statute. The Minister is able to designate materials through “minister’s regulations,” which do not have to be approved by the provincial legislature. There is a consultation process, then the Minister files the regulation and it becomes law. However, the materials on the list for product stewardship programs under the WDA were all reviewed by the government as part of the WDA development process, and tacitly approved.

Blue Box materials (materials collected at curbside – beverage containers, newspaper, cans) are the first materials for which the WDO is developing a program. The WDO and an IFO (Stewardship Ontario) have submitted a plan for the Blue Box stewardship program, and are awaiting the Minister’s approval. The WDO is next developing agreements and programs for tires and used oil, in cooperation with the respective industry organizations.

Materials to be designated by future Minister’s regulations include: Electronics, HHW such as paints/solvents, fluorescent tubes, batteries and organic materials.

Statutory Excerpts from Ontario’s Waste Diversion Act (Bill 90, Chapter 6, Statutes of Ontario, 2002. All numbering comes from sections of the Act.)

Establishment

3. A corporation without share capital is hereby established to be known in English as Waste Diversion Ontario and in French as Réacheminement des déchets Ontario. 2002, c. 6, s. 3.

Composition

4. (1) Waste Diversion Ontario is composed of the members of its board of directors. 2002, c. 6, s. 4 (1).

Members of board of directors

(2) The board of directors shall be composed of the following members:

1. Four members appointed by the Association of Municipalities of Ontario.
2. One member appointed by the Brewers of Ontario.
3. One member appointed jointly by the Canadian Manufacturers of Chemical Specialties Association and the Canadian Paint and Coatings Association.
4. One member appointed by the Canadian Newspaper Association.
5. Three members appointed by Corporations Supporting Recycling.
6. One member appointed by the Liquor Control Board of Ontario.
7. One member appointed by the Retail Council of Canada.

8. If a waste diversion program for a designated waste is being developed, implemented or operated under this Act with an industry funding organization, such number of members as may be prescribed by the regulations, appointed by the industry funding organization from among those members of the organization's board of directors who are knowledgeable with respect to the designated waste or products from which the designated waste is derived.

9. One member who is employed in the public service of Ontario, appointed by the Minister.

10. Two members who are not employed in the public service of Ontario, appointed by the Minister. 2002, c. 6, s. 4 (2).

Waste diversion programs

23. (1) The Minister may require Waste Diversion Ontario to develop a waste diversion program for a designated waste. 2002, c. 6, s. 23 (1).

(2) Waste Diversion Ontario shall develop the program in co-operation with an industry funding organization. 2002, c. 6, s. 23 (2).

(3) The Minister may require that the program be developed in co-operation with,

(a) an existing industry funding organization; or

(b) an industry funding organization to be incorporated under Part III of the *Corporations Act* by Waste Diversion Ontario for the purpose of the program. 2002, c. 6, s. 23 (3).

Establishment of industry funding organization

24. (1) If Waste Diversion Ontario is required under section 23 to develop a waste diversion program for a designated waste, Waste Diversion Ontario shall cause a corporation without share capital to be incorporated under Part III of the *Corporations Act* for the purpose of the program. 2002, c. 6, s. 24 (1).

Program agreements

(3) A waste diversion program developed under this Act must include an agreement between Waste Diversion Ontario and the industry funding organization that the program is developed in co-operation with, governing the role of the industry funding organization in the implementation and operation of the program and governing the exercise of the industry funding organization's powers under this Act. 2002, c. 6, s. 25 (3)

Manitoba

Statute:

Waste Reduction and Prevention Act (WRAP), March 1990
www.canlii.org/mb/sta/ccsm/20030602/c.c.s.m.c.w40/

The Act gives the Lt. Governor broad and comprehensive authority to make regulations that define and establish stewardship requirements and programs. The Act authorizes the Lt. Governor to make regulations to designate materials, prescribe the amount of levies and/or deposits and refunds, establish requirements for manufacturers, distributors and retailers and establish reporting requirements, in addition to other powers.

Regulations:

Multi Material Stewardship Regulation (39/95)
Tire Stewardship Regulation (33/95)
Used Oil, Oil Filters and Containers Stewardship Regulation (86/97)

Proposed

Regulation: Hazardous or Prescribed Household Waste Stewardship Regulation

As in Ontario, these regulations do not have to be submitted to the provincial legislature for approval, but go into effect once a cabinet of provincial ministers has approved them.

Producer Responsibility Organizations:

Manitoba Product Stewardship Corporation, (MPSC), Multi-material
Tire Stewardship Board
Manitoba Association for Resource Recovery Corporation (Lubricant products)

The **Manitoba Product Stewardship Corporation (MPSC)**, is a non-profit, non-governmental organization, established by the Multi-Material Stewardship Regulation and funded by a \$.02 levy on beverage containers (excluding dairy). The MPSC is charged with developing and administering a waste diversion and prevention program for designated materials under the Multi Material Stewardship Regulation.

Similarly, the **Tire Board** is established by regulation as a non-profit, non-government organization charged with administering the used tire management program.

The **Manitoba Association for Resource Recovery Corporation** (MARRC) was formed by the lubricant products industry in response to the Used Oil Stewardship Regulation. MARRC coordinates with industry associations for used oil materials in other provinces under the auspices of the Canadian Petroleum Products Industry.

Process:

The Lt. Governor adopts a regulation that designates materials and creates stewardship requirements and responsibilities.

The Multi-Material and Tire Stewardship Regulations both:

- Establish a producer responsibility organization and fund,
- Mandate the composition of the PRO,
- Set forth the objectives of the industry organization, and
- Require a three-year business plan and annual reporting.

The Used Oil Stewardship Regulation:

- Enacts requirements for individual suppliers of lubricant materials.
- In response to the regulation, the industry created a PRO.

Designated Materials

Materials are designated in the regulations. The Multi-Material Stewardship Regulation covers beverage containers, packaging of pre-packaged goods, in-store packaging, advertising materials, newspapers, magazines and phone directories. However, the regulation places a levy only on beverage containers, and only prescribes a licensing and stewardship program for “stewards of beverage containers.”

Change in Approach

According to the Department of Conservation, the provincial agency responsible for overseeing stewardship programs, Manitoba is moving away from establishing producer responsibility organizations in statute, as prescribed in the Multi Material and Tire Stewardship Regulations of 1995. Now, Manitoba is crafting regulations that set forth the government’s expectations for a program, and then allow manufacturers to respond either individually or by forming an industry association.

The Used Oil Stewardship Regulation and the proposed Hazardous or Prescribed Household Waste Stewardship Regulation adopt the new approach. The Dept. of Conservation explains that the MPSC and the Tire Board have both found it difficult to cooperate on providing stewardship programs, rather than

continuing to promote individual industry or government interests. On the other hand, the industry-run organization for lubricant products has successfully coordinated with similar industry-run organizations for used oil in other provinces to establish a program in Manitoba. The MARRC includes a municipal government representative in its organization.

Proposed HHW Regulation:

Manitoba has proposed a regulation on household hazardous waste products. The proposed HHW Regulation will outline stewardship objectives and expectations and let industry respond. The regulation will not establish producer responsibility organizations.

Designated Materials: “Phase one” materials would include batteries, paint, pesticides, pharmaceuticals, solvents and propane cylinders. “Phase two” materials would include electronic products and mercury-containing products. Manitoba expects to move electronics to the first phase of designated products under the new regulation.

According to the Manitoba Dept. of Conservation’s information on the proposed HHW regulation:

www.gov.mb.ca/conservation/pollutionprevention/hhw/public.html#17:

“The provincial government has modeled its new HHW management program after Manitoba’s existing program for managing used oils.

In 1997, the provincial government passed regulations that changed the way used oil is managed in Manitoba. The current regulation requires anyone selling oil, oil filters, and containers, or importing them for their own use, to provide or subscribe to an approved product stewardship program for those products. “Stewardship” programs make manufacturers and sellers responsible for the products they create and sell.

The lubricants industry, led by the Canadian Petroleum Producers Institute, established the Manitoba Association for Resource Recovery Corp (MARRC), a not-for-profit industry association. Stewards pay MARRC a membership fee, as well as environmental levies based on unit sales. MARRC uses those fees to support a province-wide collection system.”

Excerpts from the Multi Material Stewardship Regulation: (All numbering is from the regulation.) www.canlii.org/mb/regu/crm/20030602/man.reg.39-95/whole.html

Corporation established

4(1) The Manitoba Product Stewardship Corporation is hereby established, consisting of ten members appointed as follows:

(a) one member appointed by the Lieutenant Governor in Council who in the opinion of the Lieutenant Governor in Council is representative of the views of grocery distributors;

(b) one member appointed by the Lieutenant Governor in Council who in the opinion of the Lieutenant Governor in Council is representative of the views of distributors of beverages in containers;

(c) one member appointed by the Lieutenant Governor in Council who in the opinion of the Lieutenant Governor in Council is representative of the views of persons engaged in the business of publishing newspapers;

(d) one member appointed by the Lieutenant Governor in Council who in the opinion of the Lieutenant Governor in Council is representative of the views of the retail sector;

(e) one member appointed by the Union of Manitoba Municipalities;

(f) one member appointed by the Manitoba Association of Urban Municipalities;

(g) one member appointed by The City of Winnipeg;

(h) three other members appointed by the Lieutenant Governor in Council.

Objects of corporation

8 The objects of the corporation are

(a) to establish and administer a waste reduction and prevention program for designated materials for Manitoba consistent with the principles of sustainable development as set out in section 1 of the Act;

(b) to provide for the effective, efficient and economical management of waste designated materials; and

(c) to administer the Fund.

British Columbia

Statute:

Waste Management Act, 1996
wlapwww.gov.bc.ca/epd/epdpa/ips/index.html

Regulations:

Beverage Container Stewardship Program Regulation, 1997
Post-Consumer Residual Stewardship Program Regulation, 1997
Post-Consumer Paint Stewardship Program Regulation, 1994

Producer Responsibility Organizations:

BC Product Care, www.productcare.org
Encorp Pacific Inc., for non-alcoholic beverage containers.
BC Liquor Distribution Branch, for wine, spirit and import beer containers.
Brewers Distributor Ltd., for domestic beer containers.
BC Used Oil Management Association

BC Product Care is a non-profit industry association that manages stewardship programs for paint, flammable liquids, pesticides and gasoline in British Columbia. Paint manufacturers and retailers formed an organization in 1994, in response to the Post-Consumer Paint Stewardship Program Regulation. With passage of the Post-Consumer Residual Stewardship regulation in 1997, one association formed to manage paint-related solvents, and another formed to manage pesticides, gasoline and non-paint related solvents. By 2001, the three industry organizations had joined to form BC Product Care.

BC Product Care also represents paint industry members in Nova Scotia. (See next summary.) BC Product Care has an agreement with the overarching PRO in Nova Scotia, the Resource Recovery Fund Board, to provide services on behalf of its members.

Process:

The Minister adopts a regulation that designates materials and creates stewardship requirements. The regulations do not establish producer responsibility organizations.

The stewardship regulations:

- Define designated materials
- Allow individual brand-owners or brand-owner associations to establish stewardship programs to meet the requirements.
- Establish schedules for programs to be in place.
- Establish performance goals and reporting requirements.

Brand-owners for each designated material have responded by establishing a PRO.

The PROs submit stewardship plans to the Minister for approval.

Current Developments:

BC's Ministry of Water, Land and Air Protection is charged with developing a comprehensive regulation that will encompass most, if not all, of the regulated, producer-financed and operated stewardship programs. The ministry is currently conducting a review of the Post-Consumer Residual Stewardship Program Regulation to determine if this regulation is a suitable regulatory vehicle for all stewardship programs.

In January 2003, the Used Lubricating Oil Program was brought under the Post-Consumer Residual regulation, to make it consistent with other stewardship programs in the province. The amended regulation makes brand-owners, or their appointed third-party organization, responsible for the collection of used oil, filters and containers.

Excerpts from the Post-Consumer Residual Stewardship Program Regulation, (BC Reg 111/97. All numbering is from the Regulation.)

2 (1) A brand-owner or brand-owner plan association must comply with section 6 or Part 3 with respect to a product in order to sell, offer for sale or distribute the product in British Columbia.

(2) If a brand-owner joins an association that will carry out duties of the brand-owner under subsection (1), the brand-owner, before the association begins to carry out these duties, must notify the director in writing stating that it has joined the association and specifying the duties under subsection (1) the association will perform on behalf of the brand-owner.

3 An association must:

(a) confirm in writing to the director the duties under section 2 (2) it will perform on behalf of each brand-owner that has joined the association, and

(b) comply with section 6 or Part 3, as the case may be, in respect of the duties specified in writing to the director under paragraph (a).

Excerpt from the Beverage Container Stewardship Regulation:

"Beverage container agency" means, at the election of a brand-owner, one of

(a) the brand-owner,

(b) a company incorporated under the Company Act or the Canada Business Corporations Act, or a society incorporated under the Society Act, that is appointed by the brand-owner to act as an agent on behalf of the brand-owner, or

(c) an association or partnership appointed by the brand-owner to act as an agent on behalf of the brand-owner.

Nova Scotia

Statute:

Environment Act, 1995
www.gov.ns.ca/legi/legc/statutes/environ1.htm

The Environment Act, in Part Nine, delineates the responsibilities and authorities of the environmental ministry for waste-resource management. The Act gives the Minister of Environment and Labor the authority to designate materials, and make regulations regarding stewardship program requirements for manufacturers, distributors and retailers of designated materials.

Regulation:

Solid Waste-Resource Management Regulation, 1996

The Solid Waste-Resource Management Regulation is fairly broad, establishing separate stewardship requirements for beverage containers, paint and tires, in addition to creating an industry-run organization and fund. The regulation also covers areas such as litter, composting and yard waste.

Producer Responsibility Organization

Resource Recovery Fund Board (RRFB)

Similar to Ontario's approach, the SWRM Regulation establishes an overarching, non-profit industry organization that is charged with establishing recovery and recycling programs in agreement with the industry sectors for each designated material.

The RRFB's mandate is to:

- * oversee the deposit-refund program for beverage containers;
- * create jobs by promoting the manufacturing of new products;
- * negotiate industry stewardship agreements;
- * direct funding to municipalities; and
- * educate the general public.

The RRFB administers the beverage container stewardship program. For the other two product categories specified in the regulation, paint and tires, the RRFB works with other industry organizations, which must register all of their members with the RRFB. For example, BC Product Care has entered into an agreement with RRFB to establish and manage the paint recycling program in Nova Scotia.

Board Members: The Minister appoints the chairperson and two members of the Board. The Board appoints a representative of the Regional Waste Management Committees and a representative of the Union of Nova Scotia Municipalities, as well as members from the relevant industry sectors. The Board may have a total membership of 15.

Process for Materials Designated in Regulation:

The regulation designates beverage containers, paint and tires.

The Minister, after consulting with the Board, establishes a date by which an agreement shall be negotiated.

The Board negotiates an agreement with manufacturers, distributors, retailers and others respecting the designated material, which includes details of an industry stewardship program for that material.

Process for Materials Not Designated in Regulation:

The Minister provides the Board with a list of designated materials for industry stewardship programs.

The Board works with the Ministry to craft voluntary agreements with industries.

Industries have an opportunity to develop their own programs.

The RRFB monitors the voluntary programs, and handles some aspects of administering the programs.

Designated Materials:

By Regulation: Beverage Containers, Paint, Tires
By Minister's List: Dairy product containers, newspapers, used oil.

Future Designated Materials:

The Ministry of Environment and Labor is working on a separate regulation that would establish product stewardship requirements for the electronics industry. The RRFB will have a role in the electronics stewardship program.

Excerpts from the Solid Waste/Resource Management Regulation, NS Reg 25/96

(All numbering is from the Regulation.)

Resource Recovery Fund

4 (1) Pursuant to Section 98 of the Act, the Resource Recovery Fund is established

- (a) to develop and implement industry stewardship programs;
- (b) to fund municipal or regional diversion programs;
- (c) to develop and operate a deposit-refund system for beverage containers;
- (d) to develop education and awareness of source reduction, reuse, recycling and composting; and
- (e) to promote the development of value-added manufacturing in the Province.

Resource Recovery Fund Board

5 (1) The Fund shall be administered by a board to be known as the Resource Recovery Fund Board.

(2) The Board shall

- (a) undertake measures to implement the goals and objectives of the Fund as described in Section 4;
- (b) enter into an agreement with the Minister to administer the Fund, which agreement shall include an outline of the respective duties, powers and responsibilities of the parties and confirm that Section 143 of the Act applies to members of the Board;
- (c) prepare, negotiate and enforce agreements with a person respecting payments into the Fund;
- (d) administer and operate a deposit-refund system for beverage containers; and
- (e) perform such functions and exercise such powers as may be assigned or requested by the Minister or the Governor in Council.

(4) The Minister shall be entitled to appoint 3 persons to the Board.

(5) The Minister shall appoint one of the persons described in subsection (4) to be the Chair of the Board and determine the term of office of the Chair.

(6) A Regional Waste Coordinator shall be appointed by the Board and be a member of the Board.

(7) A representative of the Union of Nova Scotia Municipalities shall be appointed by the Board, as a member of the Board, from a nomination submitted by the Union of Nova Scotia Municipalities.

Alberta

Statute:

Environmental Protection and Enhancement Act, 1992

www.qp.gov.ab.ca/catalogue

Part Nine of the Act, entitled “Waste Minimization, Recycling and Waste Management,” authorizes the creation and use of surcharges and industry operated recycling funds, and establishes requirements for manufacturers, distributors and retailers of designated materials. The Act requires those parties to pay surcharges and provide collection of designated materials.

The Act gives broad authority to the Lt. Governor to make regulations to designate materials, establish requirements for the development and implementation of recycling programs, and assign responsibilities to manufacturers, distributors and retailers of designated materials.

Regulation:

Lubricating Oil Material Recycling and Management Regulation

Producer Responsibility Organization:

Alberta Used Oil Management Association (AUOMA)

The Regulation establishes the AUOMA and designates the material. The Regulation requires that every supplier and end user (for business use) register with the AUOMA. The regulation authorizes the AUOMA to make by-laws to establish and operate a recycling fund, prescribe the uses of the fund, provide for the imposition and amount of surcharges, and prescribe which registrants are to pay, collect and remit the surcharges.

As with the other provinces’ stewardship regulations, the Lubricating Oil regulation requires the AUOMA to submit a business plan and an annual report to the Minister.

Excerpt from the Lubricating Oil Material Recycling and Management Regulation, Reg 82/97. (All numbering is from the Regulation.):

Management board established

3 The Alberta Used Oil Management Association, being a society incorporated under the Societies Act, is hereby established as a management board within the meaning of section 175(jj) of the Act.

AR 82/97 s3;251/2001

Australia

Stewardship Policy Document:

National Packaging Covenant, 1999

www.deh.gov.au/industry/waste/covenant

The Covenant is an agreement entered into by Australian national, state and territorial governments and industry participants in the packaging chain, and is based on the principles of product stewardship and shared responsibility. The Covenant is a framework document that establishes stewardship roles and responsibilities for all parties.

The Covenant is valid for a term of five years, beginning July 2, 1999. As of January 2003, there were 600 signatories to the Covenant.

Regulation:

National Environment Protection Measure for Used Packaging

Adopted under the National Environment Protection Council Act of 1994.

The Covenant makes the Australian government responsible for establishing legislation to ensure that industry signatories not suffer any competitive disadvantage as a result of their commitments under the Covenant. To fulfill this obligation at the national level, the Australian government passed the National Environment Protection Measure for Used Packaging in 1999. The NEPM directs the states and territories to implement their own regulations to ensure a level playing field for industry signatories.

Stewardship Organization:

Covenant Council

The Covenant establishes the Council, a multi-stakeholder organization charged with responsibility for administering the Covenant. The Council is comprised of representatives of Australian national, state and local governments and the packaging supply chain. Signatories to the Covenant register and submit action plans to the Council, which monitors program implementation and progress.

Industry Signatory Responsibilities include:

Register with the Council.

Produce action plans for evaluating and improving environmental outcomes in the production, use, sale and/or reprocessing and recovery of packaging materials.

Contribute financial support for curbside recycling systems. The support is to include development of infrastructure for reprocessing of secondary materials.

Process:

In 1997, the Australian and New Zealand Environment and Conservation Council Ministers endorsed the development of a National Packaging Covenant, involving all parts of the packaging chain.

July 1999: the Australian national, state and territorial governments, and industry members adopt and sign the National Packaging Covenant.

August 1999: the Australian national government, as agreed to in the Covenant, passes a National Environment Protection Measure for Used Packaging.

The states and territories adopt their own regulations to implement the National Environmental Protection Measure, and provide a level playing field for industry signatories to the Covenant.

- Most states adopt regulations in 2000, although one state and one territory have yet to implement the NEPM.
- States require members of the packaging industry to either sign on to the Covenant or develop their own recovery and recycling program

Packaging industry members establish an industry association to handle the equitable assessment and collection of funds from industry signatories to fulfill their funding obligation under the Covenant.

The Council issues an annual report on national performance.

Designated Materials:

The Covenant applies to consumer packaging and household paper, with the exclusion of paper used to publish newspapers or magazines. Consumer packaging is any material used for the containment, protection, marketing and

handling of retail consumer products. Household paper includes writing paper, cardboard and mixed paper.

Excerpts from the National Packaging Covenant, (All numbering from the Covenant.)

6. Monitoring and Review

The signatories to this Covenant recognise the need to establish a mechanism for regular discussion, consultation and monitoring of the Covenant and kerbside recycling issues. They have, therefore, resolved to establish the following two bodies:

The Covenant Council has overall responsibility for the implementation and management of the Covenant.

The Council will act as a forum to consider issues, exchange information and address any problems that arise with the Covenant itself. The Council will comprise senior representatives of signatories from Australian jurisdictions of ANZECC, local government and the packaging supply chain and representatives of any other bodies agreed to by all these parties.

- * The Covenant Council will:
- * Act as the custodian of the Covenant;
- * Determine and maintain a system for the registration of signatories and Action Plans;
- * Receive, register, examine and assess Action Plans in accordance with the assessment process set out in Schedule 1;
- * Validate and determine compliance with Action Plans in accordance with the audit process set out in Schedule 1;
- * Develop performance indicators;
- * Establish a complaints procedure mechanism; and
- * Report annually on issues affecting the Covenant, including the performance of Covenant signatories or on any other issues referred to it by the agreement of all the parties.

Both the Covenant Council and the Kerbside Recycling Group will meet at least biannually. The Chair of both Groups will rotate between the parties on an annual basis.

